THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXVI Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, OCTOBER 10, 1942 10c a Copy; $5.00 a Year No. 41

Be Sure to Read

Jewellery, War Casualty 4
Brewers' Uncertain Future 7
Death Duty "Under Fire" 12
More on Mining Labor . . 19

The Nation's Business

Is the Government Sacrificing Too?

Canadian business and industries now undergo the great squeeze—the process designed to extract every able-bodied man and woman from a job which does not now contribute directly to the war effort.

In this process known as the "Concentration of Industry" some business firms will be concentrated out of existence.

Are there any indications that government, in asking heroic sacrifices of all Canadians, is prepared to make some sacrifices itself; to squeeze off public payrolls and out of administrative jobs in the armed services, men whose work in some other job will do more to help win the war?

Speaking to the nation, Prime Minister King said the government's policy was that:

> "Every man and woman capable of performing some form of war service should undertake the service for which he or she may be best qualified or which the demands of war require . . . Let it never be said that you favor national selective service for someone else, but that you wish to escape it yourself."

Canada's war effort has already been slowed down by lack of manpower. Today over 900,000 are engaged in war production. By January 1 another 100,000 will be needed. By July 1 still another 100,000.

Industry's co-operation with the government has been outstanding. Ask any top official, administrator or controller and he will attest the constant readiness of Canadian industry to accept painful orders and restrictions, to implement difficult government wartime policies.

Now for maximum economy of manpower comes concentration of industry, the most drastic and painful of all wartime policies. Again industry shows that it is prepared to co-operate.

ONE THING INDUSTRY CAN DEMAND

But one thing it very properly demands while undergoing the concentration process. To government authorities, industry may very well say:

> "While you put us out of business for the purpose of making better use of manpower, show us that government is making good use of all its manpower—of the 90,000 civil servants in the employ of the federal government. Is effective use made of the many thousands of provincial and municipal civil servants? What about the thousands upon thousands of office-desk soldiers, sailors and airmen? Have those pools of manpower been examined; are all of those people doing work vital to winning the war?"

Most government employees are undoubtedly pulling their weight. But there are lots of indication of overstaffing in government offices. Government, too, can be "concentrated."

Running the three armed services requires an army of workers. But can officialdom clearly satisfy Canada that all of the uniforms now decorating military offices are filled with men doing essential work, or that such essential work could not in some cases be as well done by male or female civilians unable for physical reasons to undertake field service.

Soldiers of the last war are very familiar with "remustering" —the regular shakeup intended to unseat the chair-warmers; to break up the "soldiering" cliques. In this war reportedly valuable work is being done by travelling boards of the Adjutant-General's branch whose job is to turn out into more essential work the chair-warmers of local commands in camps all through the country. These boards have a reputation for being tough, but anyone will admit that the process must be speeded up and real evidence must be produced that men are not being recruited into the services and left lying waste while the industries they have left go handicapped.

If Canada's war effort is to be all-out, it should be all-out for everybody, not just for somebody.

• • •

A.F. OF L. HAS NEWS FOR THE C.C.F.

William Green, president of the American Federation of Labor, speaking to the Empire Club of Toronto this week, must have caused great pain in some Canadian labor circles and considerable alarm among the C.C.F. high command which is so eagerly aspiring to ride to political victory on the Canadian labor vote.

Unlike the C.C.F. and some Canadian laborites, Green is not a socialist. He is a democrat.

Unlike the C.C.F. and some Canadian laborites Green does not believe that the natural state of society under the free enterprise system is one of constant class warfare. Needled up constantly by allies who call themselves socialists and talk like doctrinaire Marxists, C.C.F. spokesmen usually imply that class warfare is their aspiration until their socialist revolution is achieved.

Unlike the C.C.F. and some Canadian laborites, Green says the first battle to win is the one which is still for us, by the grace of God, overseas.

"FIXTURES OF DEMOCRATIC GOVERNMENT"

Said Mr. Green, his voice booming and his right hand pumping the air like a triphammer:

> "The American Federation of Labor regards private ownership, private enterprise and private initiative as fixtures within the democratic structure of our government. If they are ever endangered as a result of this war, we will be among the first to fight to preserve them.
>
> "We are just as anxious as industrial management that industry should prosper and expand because we know that is the way more work opportunities are created, better wages are paid, and tolerable, humane worker conditions made possible for labor . . . Management and labor are completely dependent upon each other and cannot exist without the other."

Our Canadian socialists who are angling for the labor vote are out of tune with words like those.

Green was talking for some six million North Americans, members of, or associated with, the American Federation of Labor. There is no gloomy word in his address which suggests that the North American way is done for; that the creations of ten generations must be torn down before North Americans can again look ahead with courage and vigorous purpose.

The C.C.F. brand of political, social and economic salvation has been imported from across the Atlantic, where very different social conditions, very different ecomonic opportunities have in the past existed. The implications of the gospel many of them preach to Canadians is that the Canadian way of life is doomed and damned.

They would serve Canada better—and themselves better at election time—if they got more in tune with a gospel like Green's and avowed the aim of victory first, and afterward, a better life for every citizen by wiser management and wiser labor marching together—not against each other.

Their Job: To Concentrate Canadian Industry

—Photo for The Financial Post by Karsh.

Pictured here are the two men who are working on the very difficult and extremely important job of concentrating industry to save manpower and materials. The concentration of industry programme promises the most drastic business changes war has so far produced; aims to cut civilian standards of living to the barest essentials. Biggest job yet shouldered by Robert F. Chisholm (right) is his latest, Director of the new Industrial Division of W.P.T.B. Young, aggressive, with a background in industrial engineering and in managing sales for a national distributing house, "Bob" Chisholm's new field is the whole of Canadian industry. His will be the major responsibility in deciding which industries will be asked to pool production, which firms in those industries will be the ones to continue producing. Associated with him will be Hugh A. Mackenzie, formerly head of W.P.T.B.'s Simplified Practice Divivsion, who becomes part-time adviser to the Board with special reference to the Industrial Division. He will handle much of the field work and that phase of operations involving efficiency and simplification.

Non-Essential Canadian Industry Told to Submit Concentration Plan

W.P.T.B. Administrators Set Mid-October Deadline for Industry to Submit Plans for Reducing and Pooling Output — Many Groups Now at Work on Problem

By KENNETH R. WILSON

OTTAWA.—A detailed statement of government policy covering curtailment of non-essential industry, and the naming of a specific list of industries as non-essential and therefore subject to manpower draft will be announced here shortly, The Financial Post is informed. The list of non-essential industries will be broad and will serve as notice to industry to hasten plans for curtailment pending a more precise definition as to essentiality.

Already, a number of important industries have submitted far-reaching plans for curtailment and concentration of production to the Industrial Division of the Wartime Prices and Trade Board. A tentative date for all such plans to be filed with the Board has been set at mid-October and many non-essential industries are already well ahead of the deadline.

The broad injunction which has gone out to all administrators is that there can be no waiting for "draft" action by National Selective Service officers but that all civilian industry likely to be within the non-essential bracket must work out plans immediately. These plans must answer the question: "What would your industry do if you had to release manpower?" If an industry replies by asking "How much manpower?" The official reply is: "100%."

Bankers to Meet

The curtailment programme covers services and financial institutions as well as industry. General managers of Canadian banks are expected to meet here this week to discuss curtailment plans with Graham Towers, governor of the Bank of Canada. Banking service as well as insurance, trust and other institutions are under the WPTB Administrator of Services, James Stewart. But it is expected that immediate responsibility for curtailment within these institutions will be handled directly by Mr. Towers acting at the request of the Administrator.

Behind these important and far-reaching developments on the curtailment front is the fact that manpower needs for industry and the armed services are so acute as to require possibly 250,000 men and women to be released by the curtailment of civilian non-essential industry in the next 20 months. Thi is as many persons as the entir British concentration of industr programme has produced within year or more.

In all, manpower requirements o the services and the war industr are placed at about 500,000 person between now and midsummer, 194 (The programme will not be finall clarified until Messrs. Ralston an Howe return from Great Britain. But no matter what additions or subtractions may be made by cabine at that time, the fact is that th manpower need is so great and pressing that the most drastic treatmen is now deemed urgently necessar

Where will these 500,000 person be found?

Women the Key

Probably 300,000 will be women of whom about 150,000 must be found by curtailment of non-essential industry and services. The remainde will be women who had not previously been working, housewive working part time, etc. Anothe 100,000 will be men transferred o made available from certain non-essential industry by the curtailmen programme. Another 50,000 wil probably come from subsistence farms. Another 50,000 may be found in war production itself by greate conservation of manpower, more efficient use of labor, etc.

The general programme for curtailment and concentration of industry is shortly to be announced by Donald Gordon. Broadly, the approach which is being put forward is that civilian curtailment come under three broad headings:

1. The immediate elimination o certain non-essential lines.
2. Drastic standardization of continuing lines.
3. Curtailment of all non-essentials down to the barest minimum requirements of health and morale

Various government agencies ar now working on the question of defining "essentiality." Pending more precise definition, individual industries or products which fall within the broad categories of the list o non-essential industries (shortly t

(Continued on page 2, col. 4)

National Plan To Cut Cost Of War Work

Industrial Chiefs to Meet in Toronto to Save on Men and Material

By STAFF WRITER

OTTAWA.—What may prove one of the most important meetings in the history of Canadian war production is scheduled to take place at Toronto on Oct. 17.

Called by Harry J. Carmichael, Co-ordinator of Production, it will bring together for the first time the chief executives of the principal prime contractors in the Dominion, plus a large number of subcontractors. Purpose is to inaugurate a nation-wide programme to improve manufacturing techniques and conserve critical raw materials, machine tools and manpower.

Strictly Business

The meeting will be a strictly business conference, stripped of all social functions. Those who have been requested to attend will pay their own expenses. Discussions will start with the Munitions and Supply working day—8.30 in the morning. There will be extensive exhibits of savings that have already been achieved by individual firms and industries in regard to tools, materials and manpower.

A preliminary exhibit which was brought together at Ottawa recently covered similar savings in 50 parts from four typical plants. The developments illustrated in this particular exhibit represented annual savings of some $10 millions in critical materials.

Exhibits will be lumped together by processes and types of materials so as to avoid making the display an opportunity for individual advertisement. The aim is to throw everything already achieved into a

(Continued on page 2, col. 6)

See Farm Subsidies Above $90 Millions

By STAFF WRITER

OTTAWA. — Unofficially it is estimated here that cash subsidy payments to Canadian farmers in the present calendar year will probably exceed $90 millions.

Bulk of this money will be paid to prairie farms for various types of acreage reduction and other crop assistance measures. The combined estimated cost in 1942 (calendar year) of the Wheat Acreage Reduction Plan, the Prairie Farm Assistance Act and the Prairie Farm Reduction Act is $69 millions.

Added to this, federal cash subsidy payments on butter are placed at $8 millions; on milk $4.6 millions and cheese $1.8 million. Provincial cash bonuses on cheese are placed at $3.6 millions and on hogs $1.1 million.

It is considered highly probable that plans will be worked out whereby farmers receiving government money for wheat acreage bonuses can have these converted directly into Victory Bonds without having to go through the ordinary processes of receiving a cheque and subsequently converting it.

Predict E. P. Taylor To Head War Supplies

By STAFF WRITER

OTTAWA. — Resignation of Edward P. Taylor as vice-president of the British Supply Council in North America and director-general of the British Ministry of Supply Mission in Washington, is expected to be announced here shortly. It is reported that Mr. Taylor may shortly be reappointed president of War Supplies, Ltd.

E. P. Taylor

Mr. Taylor went to Washington last spring at the time War Supplies, Ltd., was formed, to negotiate sale of Canadian war equipment and supplies to the United States Government. Subsequently he was loaned to the British Government on the invitation of Lord Beaverbrook, to join the British supply organization at Washington as chief executive officer following the sudden death of Arthur B. Purvis in an airplane crash in Britain. He was associated with Morris W. Wilson, president and managing director of the Royal Bank, who became at that time president of the British Supply organization. Mr. Wilson has since returned to Montreal.

War Supplies, Ltd. was formed to negotiate and receive orders from departments of the U. S. Government for war supplies to be manufactured in Canada, following the Hyde Park agreement last year. Mr. Taylor was its first president. When Mr. Taylor left to join the British supply organization his place was taken by Harry Carmichael.

Now that Mr. Carmichael has been appointed Co-ordinator of Production it has been expected that he would relinquish his presidency of War Supplies in orden to give full time to his new job.

Mr. Taylor is on dollar-a-year loan from his peacetime job as president of Canadian Breweries, Ltd.

Say Part Time Workers Might Do Light Jobs

Office, Professional and Retired People, Contributing Few Hours Daily, Could Free Manpower for Heavier Tasks in War Plants

By STAFF WRITER

OTTAWA.—It is essential civilian industry rather than war industry which will probably be able to use most effectively the evening hours of office, professional or retired persons, according to Selective Service officials questioned by The Financial Post. (For other responses to the part-time work queston, see page 3.)

Most of the present demand in war industry is for heavy workers and common laborers. This means that in order to release men who are capable of doing this type of work, there must be a progessive "upgrading" or shifting in manpower with part time workers coming in to do light jobs. This will lift the pressure all along the line and ultimately, perhaps, free men of the type now most needed for war industry.

One criticism against introducing office and professional workers into war plants for a few evenings a week is that such a policy tends to tie up a lot of equipment which, if it is to be used efficiently at all, should be working 12, 20 or 24 hours a day, rather than being turned over a few hours each evening to non-skilled white collar workers.

One of the most important shifts required to be made is that of young unmarried girls, now doing part time charitable or voluntary service work, into full time jobs, in the view of Mrs. Rex Eaton, director of

(Continued on page 2, col. 6)

Farm Machines Reduced 75%

1943 Output and Imports Restricted to 25% of Materials Used in '40

Farm implement makers and importers are being restricted for the year ending Oct. 31, 1943, to around 25% of the materials they used in 1940 under the latest order issued by the Wartime Prices and Trade Board. Separate quotas are allotted for eastern Canada and British Columbia and for the prairie provinces.

This is a drastic reduction from the amount allocated to this purpose in 1942 when around 83% of the overall amount of materials could be used.

This is the general basis adopted by W.P.T.B. in formulating its order limiting farm implement manufacture and, as is evident from these figures, there will be far fewer implements available next year than this year and complaints of shortages were common then.

This drastic reduction is the reason given by officials for the necessity of an accompanying rationing order which became effective Oct. 6. Under the rationing order a farmer seeking to buy a new piece of

(Continued on page 2, col. 7)

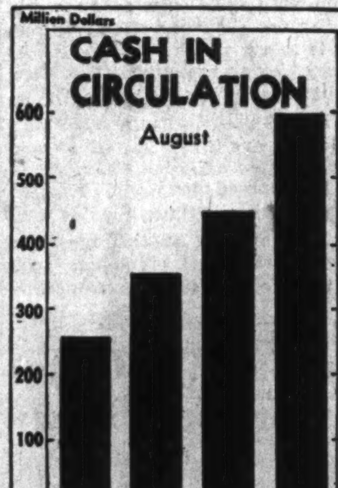


Chart by The Financial Post

Canada Doubles Cash Circulation

There is more than twice as much cash in the pockets of the average Canadian now than before the war, on the basis of August figures for circulating media in the hands of the public prepared by the Dominion Bureau of Statistics and charted here.

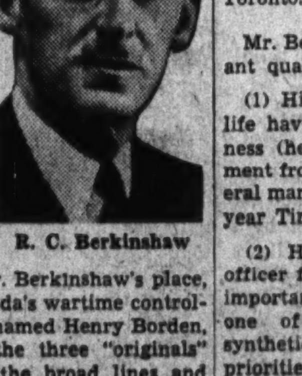
The increase in cash reflects the rising national income and soaring figures for retail sales. But it also reflects such factors as army payrolls, all made in cash and at an average rate of $1 million a month, and industry's payrolls which are also largely made in cash.

These figures for cash in the public's pockets are only a minor part of the total money supply as illustrated by the fact that total circulating media in the hands of the public in August this year at $598 millions compared with total available money supply, including bank deposits, etc., of $3,772 millions. While cash in circulation has risen 138% since 1939, total money supply is up only 33%.

New Jobs For Berkinshaw, Borden— Head Polymer Corp. and Priorities

By STAFF WRITER

OTTAWA.—To tackle one of the biggest jobs in Canada's wartime programme, R. C. Berkinshaw has now returned to Toronto. Having resigned as chairman of the Wartime Industries Control Board, he becomes president, treasurer and chief executive of Polymer Corporation—the crown corporation which is responsible for Canada's entire synthetic rubber programme. In Mr. Berkinshaw's place, as boss of Canada's wartime controllers, has been named Henry Borden, K.C.—one of the three "originals" who laid out the broad lines and policy of the department when it was begun.



R. C. Berkinshaw

Mr. Berkinshaw's assignment is to complete and get into production by next midsummer, what is said to be the largest single construction project ever undertaken at one place in Canada. The enlarged synthetic programme for Canada contemplates an expenditure of around $60 millions. When completed it is expected to turn out something over 40,000 tons annually of buna and butyl rubber. There are over 5,000 men needed in the construction job alone. When completed it will use more water each day than is now consumed by the entire city of Toronto.

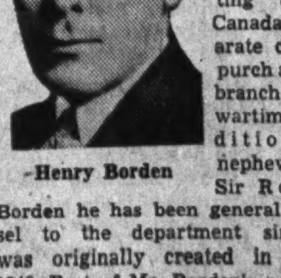
Mr. Berkinshaw has three important qualifications for his new job:

(1) His background and business life have been in the rubber business (he is on loan to the government from his peacetime job as general manager and treasurer of Goodyear Tire & Rubber Co.).

(2) He was originally priorities officer for the government. (This is important in view of the fact that one of the main problems in synthetic rubber production is priorities.)

(3) He has worked in the closest association with Washington which is presently the fountainhead of knowledge and "know how" in the wartime synthetic rubber programme.

Henry Borden, K.C., who becomes chairman of the Wartime Industries Control Board, came to Ottawa in Sept., 1939. He was associated with R. A. C. Henry and Hon. Gordon Scott in the early days of setting up in Canada a separate civilian purchasing branch under wartime conditions. A nephew of Sir Robert Borden he has been general counsel to the department since it was originally created in April, 1940. Part of Mr. Borden's new duties as chairman of the W.I.C.B. is to co-ordinate the work of Canada's 13 controllers.



-Henry Borden

Col. Arthur Bishop, formerly president of the Polymer Corporation, becomes chairman of the board. H. R. Smyth, comptroller of the corporation has been named assistant treasurer. J. R. Nicholson continues as general manager and secretary.

Ten Months' Dividends Show $14 Millions Drop

Total of $221.3 Millions Shows 6% Decline From Last Year — Mining Dividends Hardest Hit With 14% Drop

Total dividends declared to date in Canada amount to $221.3 millions this year, The Financial Post estimates, a drop of $14.2 millions or approximately 6% from the corresponding period of 1941.

Dividends for October will show a slight gain over last year on the basis of preliminary figures. Interest payments scheduled are going to be lower this year, taking the month's total about $800,000 below Oct., 1941.

Most of the decline this year has taken place in dividends paid by mining companies. In this group there is a decline of 13.9%. The industrials and utilities are down 3.5% and the oils 5.7%. On the other hand, the financial groups shows a gain in dividends for the first 10 months this year over the same period last year of 1.3%.

How the different industrial groups compare follows:

Dividends Declared

	1942 $000	1941 $000	Chang %
Industrial & utilities	110,821	114,418	—
Mines	72,942	83,119	—13
Oils	21,655	22,894	—
Financial	[illegible]	16,021	+1
10 months' total ..	221,351	235,654	—

Summary of October Payments

	1942 $	1941 $
Dividends	20,422,624	20,228,
Bond interest	31,479,000	32,513,00
Total	51,902,624	52,738,

In the October total, extras are to be paid by Bralorne Mines, Dominion Oilcloth, Lamaque Gold, Sheep

(Continued on page 4, col. 2)

MILITARY SQUARE

EATON'S MILITARY SQUARE

ACCESSORIES FOR THE SERVICES

For The Home Forces — For Overseas Boxes!

Here's the place to shop — for the Navy, the Army, the Air Force! We're ready to equip "the boys" in all the accessories they need — in everything from a pocket-hanky to a warm pullover! We've assembled them here in "Military Square" so you can make quick and easy selection! It's time right now to start thinking about Christmas gifts for those lads who are far away.

MAIN STORE — MAIN FLOOR

THE T. EATON CO LIMITED
TORONTO CANADA

New Power Restriction Plan Leaves Total Load Unchanged

From Our Own Correspondent

MONTREAL.—Restrictions on the consumption of hydro electricity for both domestic and commercial use has not yet made an appreciable difference on the power load. This does not mean there are no savings; it means that to date the savings do not register on the over-all power load trend.

A record of the power load in the Montreal area the week before and the week after the restrictions went into effect shows that during the first three days there was a smaller load during peak hours. However, in the closing days of the week, the load actually was greater than the like period of the previous week. For the whole week little change was noted in peak power demands.

This situation, in the face of known restrictions, is explained largely by the fact that industrial power load continues to increase and, for the first week of restricted use, the gain offset the savings.

Similar tests conducted in towns outside Montreal gave the same results.

The opinion among power engineers is that it will take a little time for the full effect of the restrictions to be felt. A test over a week, they say, is inconclusive.

Canadian Pacific Railway's gross operating income in September totalled $22.1 millions. This is the second best for that month in history and 14.7% ahead of September last year. For the first nine months operating revenues were up 18.1%.

CANADIAN PACIFIC AIR LINES
Time is Precious
FLY!

HOURS are precious in time of war . . . increase your personal efficiency by making regular use of Canadian Pacific Air Lines. Convenient schedules . . . courteous service. Routes include:—

MONTREAL-THREE RIVERS-QUEBEC
GULF AND NORTH SHORE OF ST. LAWRENCE
SENNETERRE-MISTASSINI POST
WINNIPEG-BISSETT-LITTLE GRAND RAPIDS
WINNIPEG-RED LAKE-MADSEN
THE PAS-SHERRIDON-FLIN FLON
REGINA-SASKATOON-NORTH BATTLEFORD
EDMONTON-FORT NORMAN-AKLAVIK
EDMONTON-YELLOWKNIFE
EDMONTON-WHITEHORSE-DAWSON
VANCOUVER-WHITEHORSE-FAIRBANKS-DAWSON
VANCOUVER-VICTORIA-ZEBALLOS

Connections with East-West rail lines and other leading Canadian and U.S. air lines.

Information, rates and reservations through any Canadian Pacific Railway agent or Canadian Pacific Air Lines Traffic Office. Toronto Representative, Air Lines Agencies, Ltd., Royal York Hotel.

POOL SERVICES OF
ARROW AIRWAYS, CANADIAN AIRWAYS, DOMINION SKYWAYS, GINGER COOTE AIRWAYS, MACKENZIE AIR SERVICE, PRAIRIE AIRWAYS, QUEBEC AIRWAYS, STARRATT AIRWAYS, WINGS, YUKON SOUTHERN AIR TRANSPORT.

Nothing matters now but Victory. Subscribe to the new Victory Loan.

Canadian Pacific AIR LINES
CANADIAN PACIFIC AIR LINES
PASSENGERS · MAIL · EXPRESS

The War and Business . . .

Britain's Food

It is generally admitted that the health of Britons has actually improved under present stringent food regulations despite the fact that the average person is getting on with considerably less of the more common, concentrated foods than before the war. Here is a comparison:

Britains Food

	Weekly ration	Average pre-war consumption
Meat	1 lb.	1¾ lb.
Fats	8 ozs.	10½ oz.
Bacon	4 ozs.	5½ ozs.
Sugar	8 ozs.	16 ozs.
Cheese	4 ozs.	2.7 ozs.
Tea	2 ozs.	3.6 ozs.

The real explanation for the improved health lies in better balancing. Today Britishers are eating much less of the old heavy foods, and a great deal more fresh fruits and vegetables out of their own war gardens. These supplement the rations noted above.

• • •

Not Wanted

The manpower crisis brings to light some interesting situations. For example:

A Montrealer conceived the idea that there were a number of skilled economists and statisticians who, while they might not be available for full-time government work, could spare the time to make a very valuable contribution to any government agency or department which wanted special surveys done in a hurry. The plan was that requests would be funnelled through a central office and the work delegated to those having an expert knowledge of the information required. Several men with exceptionally wide knowledge of industry and finance were lined up. They were to work on a purely voluntary basis.

The idea arose from the fact that men of this type are scarce and are needed in Ottawa. It was believed such a proposal would be welcomed by government authorities in view of the manpower situation. Accordingly the scheme was outlined in a letter sent to the Director of National Selective Service.

In a few days a reply was received from a senior official in the department and written on behalf of the director. It was a nice letter. The proposer of the scheme was thanked but "we aim to fill our basic needs with full time appointments which will last for the duration at least." The letter added that once this was accomplished, it might be possible to make some practical use of business executives on a part time basis.

The recipient of this letter wonders about the manpower which is so acute and yet the government cannot find even partial use for men who have an expert knowledge of business economics.

• • •

Wanted — Army Musicians

The Canadian Army is combing its ranks for oboe players, trumpeters and other musicians in order to make up a National Symphony Orchestra. It is understood the conductor will be Geoffrey Waddington and while the orchestra will be based in Ottawa, it will travel around Canada visiting army camps, war plants, etc.

• • •

Air Raid Casualties

Almost 50,000 civilians in the British Isles have been killed by German air raids since the beginning of the war and over 55,000 have been wounded, according to an official statement from the British Government. Approximately half of these casualties have occurred in greater London area. In all of the first Great War, some 1,500 people were killed in air raids, both by airplane and zeppelin.

In the war of 25 years ago, raids were principally concentrated over London and the south of England. This time practically the whole of the British Isles have been subject to attack at some time or other.

• • •

Pin Savings

Hairpins and bobby pins may be regarded as very minor items in the world of merchandise but according to the Wartime Prices and Trade Board material used in making them bulks very largely in airplane manufacture. The recent saving in this raw material through restrictions on lines allowed for civilian purposes will produce 55 millions of a certain sized vital airplane bolt, H. H. Foreman, Administrator of fabricating steel and non-ferrous metal, pointed out to a Gananoque audience the other day.

• • •

A Correction

Reference to Canada's plans for holding industrial expansion to the minimum in last week's issue of The Financial Post unfortunately omitted to mention that the new ruling does not apply to projects undertaken prior to Oct. 1, even if capital expenditures were not made before that date. But for any project to be undertaken after Oct. 1, and on which a special depreciation allowance is to be sought, a certificate of necessity signed by the Minister or Deputy Minister of Munitions and Supply must first be obtained before application is made to the War Contracts Depreciation Board.

P. R. P. Not Being Scrapped

But New Plan Will Assure Materials for Key Plants

By **ROBERT T. ELSON**

WASHINGTON.—Canadian manufacturers engaged in war production can be assured the much criticized Production Requirements Plan by which they receive authorization for critical materials from United States will continue.

The War Production Board has just mailed application forms for the first quarter in 1943, thereby confirming Donald Nelson's statement of a week ago that the system would be extended. But while premature reports of P. R. P.'s demise are slightly exaggerated, a supplementary programme covering certain holders of prime contracts whose output is urgently needed is now under consideration.

In the future too is further consideration of other more efficient methods of handling materials, including the British system of direct distribution. But that is definitely in the future and purely speculative shop talk of W. P. B. corridors at present.

Supplementary Plan

The supplementary programme that led to reports that P. R. P. is itself washed up will be announced probably within two weeks or ten days and cover a minority of the thousands of firms engaged in war production on both sides of the border. It will cover only contracts in four "urgent" divisions of current production—ships, aircraft, tanks and ordnance.

Here is how the supplementary plan may be expected to work out:

Prime contract-holders, the end use of whose product is certified as most urgent, will receive special warrants from the War Production Board. These warrants will guarantee materials for specific deliveries including all sub-assemblies. But the prime contractor will be held responsible for all sub-contractors and deliveries.

The certificates so granted will cover definite schedules and actually be straight allocations.

But it must be emphasized that these warrants will only be issued to a minority of firms, and only to those whose end-use takes precedence by order of the high command. Ships certainly come first on the list of precedence followed by aircraft, tanks and ordnance.

Maintain Continuity

Such materials as are distributed by these warrants will be withdrawn from the estimates made for the Production Requirements Plan in the current quarter and for first quarter in 1943. This is unlikely to affect "off-the-shelf" products and a wide variety of other essential items, which are now adequately covered by the Production Requirements Plan.

This new system recognizes that the mass production industries on this continent in peacetime achieved considerable success in the handling of subassemblies and a truly balanced production which is the major objective here at the present moment. It is particularly desirable in those industries like shipbuilding, where the output has already attained large proportions, to maintain continuity at all costs in order to meet the immediate demands of the Combined Chiefs of Staff.

Bicycle Makers' Quota Fixed at 25,000 Units

By STAFF WRITER

OTTAWA. — Canadian bicycle manufacturers are to be placed on a new quota of 25,000 machines a year (about one quarter of normal production) and assurance has been given that parts and materials sufficient to meet that quota will be forthcoming from the United States, The Financial Post is informed.

The U. S. has recently been placed on a quota basis with all bicycle manufacturing limited to two key plants. The U. S. quota is 10,000 bicycles a month or about 7% of 1941 peak output. Production of bikes in the U. S. last year was back to the boom level of 40 years ago or about 1,800,000 units. This compares with 400,000 units in 1932.

Rationing Expected

No decision has been made as yet as to whether or not Canadian production will be concentrated in one or more plants. A survey is being made to determine how the new limited production can best be carried on. It is also expected that out of that survey will come plans for rationing the 25,000 machines that are to be produced annually.

Reason for the proportionately higher quota in Canada relative to population is said to be the difference in geography and customs. It is recognized that there are factors which make the use and need for bicycles in war work in Canada more essential here than in the U. S.

Bank Borrowings Pass $500 Millions

By STAFF WRITER

OTTAWA. — Canada's weekly bank borrowings have now passed the self-imposed limit of $500 millions.

With the sale this week of deposit certificates of $45 millions the total of this new form of bank borrowing has now reached $555 millions. The previous week the government borrowed $45 millions, and in the week of Sept. 22 another $40 millions. Previous to that the weekly take had been nearer the $35 millions mark.

Speaking recently at Montebello, Finance Minister J. L. Ilsley put the government's problem very plainly when he said:

"Those of you men who have known the terrors of facing a payroll each week when sales were lagging will appreciate my position when I tell you that I must expect to face cheques each working day amounting to something like $12 millions while the revenue these days runs to something less than half of that."

On the basis of six working days, this means the government is currently running behind by at least $35 to $40 millions pending the raising of a large bulk sum through a sales campaign such as the forthcoming Victory Loan.

Non-essential Industries Told to Plan Concentration

(Continued from page 1)

be defined by Elliott Little, Director of National Selective Service), are urged to proceed with plans for concentration and curtailment, regardless of essentiality.

Because of different conditions here there is no reason to assume will be comparable, it is nevertheless interesting to list the categories of industry and products which Great Britain has regarded as non-essential. The British concentration programme fell into two categories: an original list scheme and a supplemental scheme. These follow.

BRITISH INDUSTRIES AFFECTED BY CONCENTRATION

Original British Scheme

Bedding
Boots and shoes
Braces
Carpets and rugs
Cartons, paper box.
Corsets
Cotton spinning, finishing & weav.
Cutlery
Fountain pens
Glass
Gloves
Hosiery
Jewellery
Lace
Leather
Linoleum
Music. instruments
Narrow fabrics
Papermakers
Photographic materials & apparatus
Pianos
Pottery
Rayon
Razor blades
Silk
Sports goods
Toilet preparations
Toys
Umbrellas
Wool, (includ. dyeing & finishing)

Additional Industries

China clay
Conduit tubes
Fellmongery
Gas tubes
Iron foundries
Jute
Paint & varnish
Bricks
Rubber
Saddlery & harness
Steel sheets
Glazed tiles
Woodworking
Printing ink
Lead pipes & sheets
Clothing

It must be remembered that the original British programme and the additional industries covered by a further scheme, was primarily a concentration of industry rather that a reduction of output. In Great Britain, shortage of materials had greatly curtailed output in most light industries prior to the concentration of industry scheme affecting the industries named above. In Canada the aim is to eliminate non-essential production immediately in a wide variety of lines so as to release manpower irrespective.

Canada has already important legislation in force affecting payment of workers who are moved from one industry to another. In respect of compensation for industries themselves Mr. Gordon has made it clear that if these are required it will be if possible by means of industry rather than government subsidy. The legislation which now permits National Selective Service to compensate individual workers is found in the following paragraphs of section 25 of the manpower control order of Aug. 28:

A National Selective Service Officer may arrange for the payment of the cost of the transportation of workers, their dependents and effects on a non-recoverable basis when he deems such payment necessary. Part or all of the following expenses may be paid:

(a) Travelling expenses where the worker alone is moved more than 100 miles.

(b) Travelling and moving expenses where it is deemed necessary to move the worker's family.

(c) An allowance for meals and incidental expenses while in transit to the new job of not more than three dollars per day.

(d) A supplementary living allowance of not more than five dollars per week if the worker is moved away from his family and his earning capacity on the new job is insufficient to offset the increased cost of living due to the separation

(e) A supplementary allowance of not more than five dollars per week if the worker is transferred to a job which involves a decrease in his weekly earnings.

(f) A loan of not more than fifteen dollars to defray living expenses during the first week of employment and to be repaid in full out of his first full pay for the regular pay period.

Any expenditures pursuant to the above section of these regulations shall be chargeable to the War Appropriation.

Part Time Workers Can Do Light Jobs

(Continued from page 1)

women in National Selective Service.

These part-time jobs must now be filled by married or older women, in Mrs. Eaton's view. It was fine for these girls to be busy with voluntary or charitable war work at the beginning of the war. Now the proper use of manpower dictates that most of them should shift into full time employment and let the part time jobs be handled by older persons.

One problem being studied at Ottawa by the civil service is whether it would be better to eliminate overtime or special emergency work, and extend the hours of all civil servants to say an eight-hour day. At present, most government departments (except Munitions and Supply) work only 6½ hours a day plus a lot of overtime. Munitions and Supply is on a 7½-hour day.

The proposed plan would eliminate most of the overtime. Similar proposals are being studied by other large institutional employers such as the life insurance companies.

To Cut War Costs By National Plan

(Continued from page 1)

common pot so that all may benefit by this new war on waste.

Fact Behind Meeting

Behind the meeting is the grim fact that if production is to be maintained and increased in line with present schedules, it is imperative that every war contractor in Canada:

(1) Find ways and means of getting more efficiency out of existing plant (there will be few if any more plant extensions in Canada for some time to come).

(2) Find ways of getting more production out of existing stocks and available supplies of materials (substitution of graphite impregnated paper for a small plug formerly made of aluminum, is saving 132,000 pounds monthly of the precious metal).

(3) Find ways of cutting down absenteeism, lost motions, etc., in existing labor force so as to greatly increase labor efficiency (this suggests the whole question of labor-management committees, etc.).

Lake of the Woods Milling Co.'s annual report for the year ended last August is expected to show a further rise in both gross and net earnings. This, in turn, will be reflected in the balance sheet with net working capital at the highest point in many years.

HOLD HIGH THE TORCH OF FREEDOM

Co-operating Now As Always With All Canadian Industries

Credit needs of industry today differ from the needs of peace-time. Industry's war efforts are financed largely by our Government, but the Bank co-operates in two important ways: First, by commercial loans made directly to industries to speed up war production, thus supplementing Government aid. Second, commercial loans made to help industries carry on their everyday non-war activities.

You who are engaged in producing supplies of any kind are urged to confer with the Bank of Montreal regarding your credit requirements.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . . *the Outcome of 124 Years' Successful Operation*

A139

It's Fall in The Store for Men

What's Your Budget Say About a New

Tailored-to-Measure Suit?

Whatever you decide you can spend on your new suit, one thing's certain — the place to make your selection is Simpson's. At Simpson's you'll find a choice of fabrics ranging all the way from 26.95 to 57.50. And WHAT a selection! Clear-cut worsteds, mill-finished plain greys, conservative designs for professional men, evening stripes, business greys, hard-finished worsteds, rugged tweeds! Those are only a few of the fine materials. Better look them over for yourself at your first opportunity.

Simpson's

Second Floor

Half of All Canadians Are at Work or War

To meet demands of the armed forces and war industry, around 200,000 Canadians have been drawn from employment in agriculture and 125,000 from civilian industry since the outbreak of war, according to a bank summary.

At the same time the numerical strength of our armed forces has increased by about 55 times while the total number of wage earners has gained to an estimated 5,455,000 from 4,335,000 at September, 1939, meaning that about half of Canada's population is now at work.

Over the three year war period the Bank of Canada summarizes Canada's manpower picture like this:

	Sept., 1939	Sept., 1942
Armed Forces		
Men	10,000	540,000
Women	......	10,000
Total	10,000	550,000
Agriculture		
Men	1,475,000	1,185,000
Women	110,000	200,000
Total	1,585,000	1,385,000
War Industry		
Men	......	750,000
Women	......	165,000
Total	......	915,000
Civilian Industry		
Men	Not	1,245,000
Women	detailed	900,000
Total	2,269,000	2,145,000
Owners or Own-account Workers		
Men	Not	350,000
Women	detailed	110,000
Total	471,000	460,000
Total Wage Earners		
Men	Not	4,070,000
Women ...	detailed ..	1,385,000
Total	4,335,000	5,455,000

Farm Machines Reduced 75%

(Continued from page 1)

equipment has to file a complete statement indicating his need for the implement he proposes to buy. This has to be countersigned by the local dealer, local branch managers of the company and finally by the regional office of the W.P.T.B.

Makers Busy For War

It is clear from the figures given for the reduced amount of materials permitted that activities of farm implement manufacturers as such will be very much restricted in the coming year. For the major companies, such as Massey-Harris and Cockshutt Plow, however, this is hardly expected to be as serious as this fact suggests. Both of these companies are very active with war work and are understood to be devoting more and more of their manufacturing capacity and working staff to this phase of their operations.

Readily discernible in the pattern of the manufacturing quotas is the general aim of Canada's farm planners. They have made their most drastic cuts in implements to be used for grain growing or harvesting. Threshers, for example, are limited to 15% of 1940 for eastern Canada and British Columbia with none allotted for the Prairie Provinces.

Repair parts are in addition to the 25% quota for materials for 1943 but are limited to 140% of the amount of materials used by a manufacturer in 1940. Attachments, which are also additions to this basic quota, are limited to 40% of the 1940 materials used.

Examples of how the new quotas will cut production follow:

	1940 Sales in Canada East	1940 Sales in Canada West	1943 Quota East	1943 Quota West
Wheel tractors ..	7,688	13,091	1,844	3,142
Combines	356	4,720	119	1,573
Threshers	722	639	108	nil
Grain drills	2,614	3,328	784	499
Manure spreader.	4,014	nil	1,204	nil
Tractor plow	4,679	5,954	702	893
One-way disc ..	349	6,648	nil	2,215

Prime object in these regulations is to limit the use of materials and labor where we can get along without them. Somewhat larger quotas have been allocated to production of equipment made largely of wood as the scarcity is worse in metals. In some lines full 1940 production is allowed. Milking machines, for example, were permitted at a 200% rate in 1942 and are to be continued at 100% of 1940 next year. It is pointed out that 1940's production of milking machines was small in Canada.

Investor's Index

Oct. 10, 1942

Abitibi 20
Albert Bay . . . 4
Anglo.-Can. P. 15
B. A. Oil 10
B. C. Telephone 10
B. Greening W 15
Beatty Bros. . . . 15
Burns Co. 4
Canada Northern 15
Canada Packers 10
Canada Starch . 13
Can. Breweries 13
Candn. Car . . . 10
C. P. R. . . . 10, 14
Candn. Pr. & P. 13
Can. Tube & Stl. 20
Cockshutt Plow. 10
Comm. Alcohols 10
English Electric. 17
Fairchild Air. . 3
G. Tamblyn . . . 13
Gatineau Pwr. . 15
Geo. Weston . . 13
Hinde & Dauch . 15
Inter. Power . . 5
Invest. Synd. . 17
Loew's London . 10
L. St. Law. Pwr. 5
Mansfield Thea. 20
[illegible]
Minn. & St. P. R. 3
Montreal Coke . 9
New. Can. Stmrs. 15
Power Corp. . . 5
Regent Knitting 18
Southland Paper 13
Three Rivers Gr. 13
Tip Top Tailors 13
Western Brew. . 20
Western Grain . 4

MINES AND OILS

Anglo-Huronian 19
Cariboo G. Qtz. 18
Central Pat. 18, 19
Chesterville . . . 18
Cons. Smelters . 19
Gunnar 19
[illegible] 19
Hollinger 19
Inter. Tungsten 19
Lamaque 19
[illegible] 19
Pickle Crow . . 18
Sand River . 18, 19
Sheep Creek . . 19
Sturgeon River. 18
Sullivan 19
Teck-Hughes . . 19
Uchi 19
Wood Cadillac. . 18
Yama 19

REGULAR FEATURES

Banking 14
Bonds 4
Bond Quotations 16
Business, Week in 7
Company Reports 15
Editorial 6
Income Tax Queries 20
Insurance 8
Investment Page 4
Enquiry Letters 13
Stock Quotations 16
Mining Pages 18, 19
Mining Quotations 16
Oil Pages 18, 19
On the Record 7
Pulp and Paper 15
Wheat Page 17

DIVIDEND NOTICES

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the Preferred Shares of the Company has been declared payable on and after the first day of November, 1942, to holders of record at the close of business on the 20th day of October, 1942.

Dated at Toronto this 6th day of October, 1942.

D. W. LAVERTY,
Assistant Secretary-Treasurer.

This Week The Financial Post Asks

Can Office Workers Do War Work Too?

The Question:

"Is There a Useful Pool of Labor in Office Workers, Professional and Retired People Who Might Work One or Two Evenings Weekly in War Industries?"

C. M. Anson

General manager, Eastern Steel Division, Dominion Steel and Coal Corp., Sydney, N.S.

Industry in Cape Breton is confined almost entirely to heavy basic industries of steel making, coal mining, railroading and shipping. These industries offer very little if any opportunity for part time evening employment which no doubt would be available to a labor pool such as you mention in other parts of Canada where war industries and factories have been established.

• • •

W. A. Curran

Editor, Times, Trail, B.C.

It is my opinion decidedly that there is room for a pool of retired office workers, professional and business people for full time work in war industry, but I cannot agree that a pool for the purpose of working extra time in war industry would be efficient either from the point of view of the war industry or in the interests of the business to which they owe their first allegiance. In this area retired business people are being absorbed successfully into full time war work.

Experience has shown that abnormal hours greatly reduce efficiency and I feel that as far as humanly possible we should retain the physical and mental efficiency of our people in the interests of general morale which is vital at this time.

• • •

Dr. J. G. Cunningham

Director of Industrial Hygiene Division, Ontario Department of Health, Toronto.

I have no concrete information upon which to base an answer to your question, particularly as to how far industry can use such personnel having in mind, training, continuity of effort, supervision, etc.

It is desirable that some exchange be set up or adapted which would record services of the type available, to be drawn upon by industry as far as is practical.

While mere numbers are essential, their complete utilization involves problems which demand at least as much attention and resourcefulness.

E. B. Durham

Manager, main Winnipeg office, Royal Bank, Winnipeg.

There is a pool of labor composed of office workers, professional and retired people who might work one or two evenings weekly in war industries. Whether it can be made useful or not depends upon the nature of the work to be done and the manner of organization.

• • •

W. R. Drynan

President and general manager, Canadian Canners Ltd., Hamilton.

The proposition does not look practical to us. Even if obtainable it is doubtful if inexperienced help already partially exhausted by a day's work could be used efficiently and effectively in war industry, particularly as office workers and professional people will have difficulty in keeping up with their regular work even with extended hours.

• • •

R. M. P. Hamilton

General manager, General Engineering Co., Toronto.

We feel that there may be a relatively small pool of office workers and retired people who might undertake to work one or two evenings weekly in war industries, but believe the practical difficulties of using such workers in industrial plants—which must operate on a schedule basis—are too great to provide much benefit from such a plan.

• • •

Dr. H. Provencher

President, Chamber of Commerce, Riviere du Loup, Que.

I think that many people could work one or two nights a week providing we get them work in the same town.

C. O. Knowles

Editor, Evening Telegram, Toronto.

I am not impressed with the suggestion that there is any considerable number of office workers, professional and retired people available for work in war industries one or two evenings weekly. Most office staffs have been seriously depleted already on account of emergencies created by the war. Many of them are working exceptionally long hours now and there is already a serious scarcity of competent female help for the same reason.

Retired people who are physically fit would no doubt be willing to do any useful work but I imagine that even this possible source of labor has already been drawn on to a considerable extent. There is no apparent reason, however, why such persons as suggested in your enquiry should not be invited to offer their services. If it produced results that much will be gained, if it does not produce results there is nothing lost.

• • •

Arthur J. Reaume

Mayor of Windsor.

I am convinced there is a useful pool of labor in office workers, professional and retired persons which could be readily diverted to war industry for one or two nights weekly. I believe that the authorities have simply to apprise these people of the need for production to win their immediate co-operation.

However, until the urgency of the situation is brought forcibly home to the people it will be impossible to obtain their complete co-operation. The workers are ready and willing but must be told of the need for every extra man hour of labor and convinced that their neighbors are pulling their weight.

• • •

W. H. Somerville

General manager, Mutual Life Assurance Co. of Canada, Waterloo, Ont.

Referring to your enquiry and to conditions in this community, in my opinion there is not a useful pool of labor of office workers, professional and retired people who might work one or two evenings weekly in war industries.

If there were such a pool of labor available I question how useful and practical it would be to attempt to have such people work part time in war industries, but they might be encouraged to perform useful work in present organized war services.

• • •

L. J. Robichaud

President, Chamber of Commerce, St. Johns, Que.

I believe that it would be possible to find anywhere between 100 and 200 persons in St. Johns of the classes mentioned who would be willing to work at night in war industries if they could be employed locally or in proximity.

• • •

E. Weber

Assistant secretary, Hudson Bay Mining and Smelting Co., Winnipeg.

From my own personal contacts and observation it is my feeling that there are quite a few office workers and retired people who might be available for war work one or two evenings weekly provided that it could be arranged that this war work would not interfere with their activities with the Reserve Army and other war work. It is my guess that the greater proportion of people falling into this category are pretty well tied up at least two nights a week in war activities of various kinds.

W. A. Winfield

Managing director, Maritime Telegraph and Telephone Co., Halifax.

No doubt some clerical workers, shop clerks and persons with leisure might be available for evening work in war industries. At the same time there is an acute shortage of available labor in Nova Scotia and many office workers are working overtime. Others fill in their spare time on work at the numerous hostels, ARP practices and Reserve Army drills.

Many Wage Increases In British Columbia

Queen Charlotte Loggers Get Highest Pay in History; More Money Urged For Copper Miners to Step Up Production

From Our Own Correspondent

VANCOUVER.—Many wage increases have been granted in British Columbia by the Regional Labor Board, but nearly all of them have been in response to individual applications. There have been practically no blanket increases for certain trades or industries.

"The lumber industry has probably been granted more wage increases than any other, but that is easily explained by the fact that lumbering is the No. 1 industry out here, and especially in wartime it has had a series of extremely complicated labor problems," a regional representative told The Financial Post.

"There are about 1,000 mills and a great many labor classifications at each mill, and no one mill's situation is identical to another's. We have had to deal with each separately."

Special Situation

Loggers on the Queen Charlotte Islands have been offered a bonus of one third over their regular rate of pay, bringing their average wage to $10 a day—the highest ever paid in the logging industry of British Columbia.

The reason for this is that the Queen Charlottes possess great stands of Sitka spruce, on which the United Nations depend for a large proportion of their wood for aircraft production. To get this timber out, the Canadian Government organized a federally-financed corporation, Aero Timber Products, Ltd., which has been authorized to pay the new high rate. This will not apply to any other forest region in the province.

The Queen Charlotte loggers are a special case and the regional labor board had little to do with it. The increase was put through as a result of negotiation between the Timber Controller and the Dominion Labor Department.

Shipyard labor is controlled through the National War Labor Board, which has authorized individual wage increases. However, the general schedule of shipyard wages is still at the basic rate of 90 cents, which was established by arbitration in 1940. For many branches of organized labor in the shipyards this represented an increase from about 75 cents.

Copper Miners

The Mining Association of B.C. has recommended that wage increases be granted in the copper mines as the surest guarantee of replenishing labor supplies and increasing production. The idea is to bring copper miners' wages more in line with shipyard earnings.

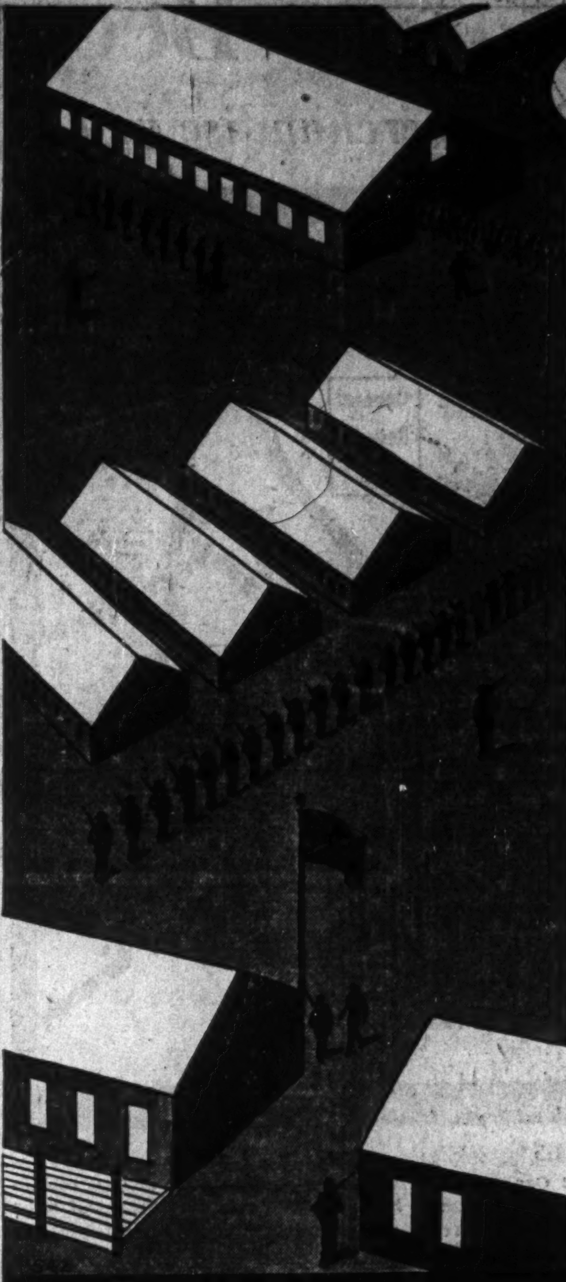
The base rate for miners at Britannia Mining & Smelting Co. and Granby Mining, Smelting & Power Co., the two principal copper mines, is $5 a shift, compared with the following wage scale established in the shipyard industry, currently employing some 25,000 men. Here are the various pay rates together with the proportion of workers in such pay category:

29%	$7.20	per day plus
13%	5.68 to $7.12	per day
34%	5.20 to 5.60	per day
8%	4.00 to 5.12	per day
10%	4.00	per day
6% (boys)	3.60	per day.

These figures are exclusive of the cost of living bonus.

Rivet boys in the shipyards now receiving 45 cents an hour are currently demanding 60 cents and have formed a union as one means of gaining their objective. They intend to make representations to Mr. Justice S. E. Richards, head of the commission which investigated shipyard grievances, when he comes to the coast in a few days.

According to the Mining Association, the copper industry cannot afford to pay much higher wages, regardless of authority granted, unless it gets a better price for copper. For that reason it is urging a higher price or government subsidy.



CYPROC

Protects our Soldiers

...AND IT WILL PROTECT CIVILIANS, TOO!

Nothing is too good for the safety and comfort of the boys who defend our Dominion and Empire.

When the Canadian Government set out to erect living quarters for Army Camps they insisted on maximum fire protection plus all-year-'round comfort. That is why they built with GYPROC Wallboard and insulated with GYPROC Wool.

The same sound reasons that influenced the Government to choose these GYPROC products for *protection* and *comfort* are worthy of *your* serious consideration.

Gypsum, Lime *and* Alabastine, Canada, Limited

HEAD OFFICE PARIS ONTARIO CANADA

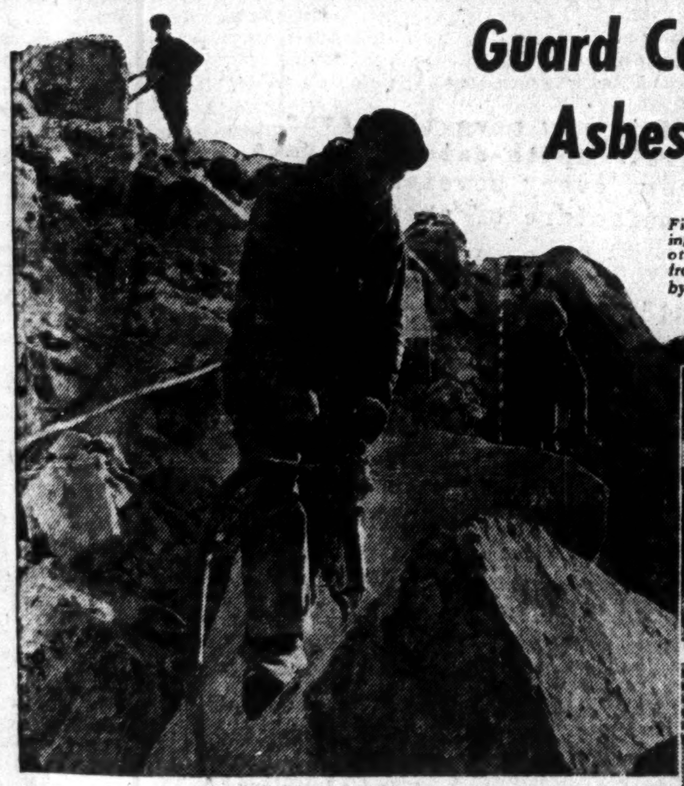
VANCOUVER CALGARY WINNIPEG TORONTO MONTREAL

Minneapolis, St. Paul & Sault Ste. Marie Railway, controlled by the Canadian Pacific, reports August net earnings of $360,118. This compares with $734,828 in the same month last year. In the first eight months, net earnings totalled $1,372,113, as against $1,542,423 in the like period of 1941.

Fairchild Aircraft Ltd. has declared an initial dividend of 25 cents a share payable Oct. 31 to shareholders of record Oct. 14. The dividend will involve disbursement of $31,950. The report for the year ended June 30 last is expected later this month. In the previous year the company earned 31 cents a share on the common.

JOHNS-MANVILLE WORKERS

Guard Canada's Asbestos Leadership



Fireproof asbestos clothing for the R.C.A.F. and other services is made from Canadian asbestos by J-M workers.

Asbestos Pipe Coverings made in the J-M factory help war industries save precious fuel.

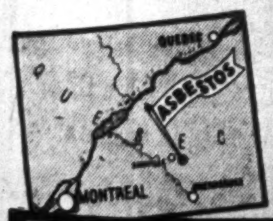
Skilled J-M workers man complicated machines that turn the "Magic Mineral" into war-winning products.

81 workers and high company officials share equal honors in the "Quarter Century Club", formed of those who have worked together in J-M for twenty-five years or more.

● Twenty-four hours a day, seven days a week, the workers of Canadian Johns-Manville are "on the job" at Asbestos, Quebec — maintaining, *and increasing*, Canada's world leadership in asbestos production.

They're busy at work in the J-M mine, largest asbestos mine on earth... they're going "all out" in the mill and factory... more than 1500 hard-working, patriotic Canadian men and women doing their important wartime job with a will.

Johns-Manville is proud of its workers . . . and prouder still of enjoying *their* goodwill.



CANADIAN JOHNS-MANVILLE CO., LIMITED

Mine and Factory at Asbestos, P.Q.

MONTREAL TORONTO WINNIPEG VANCOUVER

JOHNS-MANVILLE JM PRODUCTS

CANADIAN JOHNS-MANVILLE

• J-M BUILT UP ROOFS • J-M CORRUGATED TRANSITE SIDING • J-M INDUSTRIAL FLOORING • J-M INSULATING BOARD PRODUCTS • J-M ASBESTOS WALLBOARDS • J-M ROCK WOOL INSULATION • J-M INDUSTRIAL INSULATIONS • J-M REFRACTORIES • J-M ACOUSTICAL SERVICE AND MATERIALS • J-M PACKINGS AND GASKETS AND OTHER ESSENTIAL MATERIALS FOR FACTORY, MILL, SHOP, OFFICE

DOMINION OILCLOTH & LINOLEUM CO. LIMITED
MADE IN CANADA
MONTREAL

Anti-Gas Fabrics from a Linoleum Factory

● Another example of how peacetime facilities are turned to war! Anti-gas fabrics for Army use — for capes, hoods, suits, helmet curtains, wallets, and tarpaulins are being manufactured by the makers of Dominion Battleship Linoleum. This is an important contribution to the safety and welfare of our fighting men and is one of many war activities now being carried on by Dominion Oilcloth & Linoleum Co. Limited.

PRIORITY PRODUCTS

We also make:

AEROPLANE PARTS —Aluminum hydro-press parts are formed in our large hydraulic presses.

WATERPROOF DUCK—flame proof, gas proof, mildew proof for Army Trucks, for the Navy and the Merchant Marine.

BITS and PIECES for the Navy, for the Merchant Marine, for tanks and essential war industries.

DOMINION BATTLESHIP LINOLEUM for Airports, Army Camps, Corvettes, Merchant Marine, Naval Barracks and Munitions Plants.

DOMINION OILCLOTH & LINOLEUM CO. LTD. MONTREAL

Jewellery Trade Becomes Wartime Casualty

Luxury Tax, Merchandise and Labor Shortages Are Serious Threats

By **ARTHUR D. ELLWOOD**

Sales of jewellery stores in Canada in August were 16.8% less than in the same month a year earlier. In July, there was a decline of 12.6% from the same month last year. In June, however, this same group of stores reported sales 34.1% above the corresponding 1941 month.

The explanation for this alteration in position is simple. This year's Dominion budget imposed the tax at the retail sales level of 25% on all jewellery and silverware items.

Its effect was immediate and drastic. Jewellers tell The Financial Post that coming months are likely to see even more serious slices taken out of their sales volume.

What the Christmas trade will be is hard to forecast at present, but there is little optimism among the jewellers. Moreover, some of them suggest that there will be very little left on their shelves to sell after Christmas.

Should Have Good Year

Actually, it is probable that most of them will end 1942 with a relatively satisfactory year. It should be remembered that, in making comparisons of sales changes with the preceding year, the standard from which the measurement is taken is unusually high. Impact of the new sales tax seems to hit all lines, although in the more expensive items it is more noticeable.

The jewellers' supply problem is becoming more critical, with smaller stores worse off than larger ones. Jewellers say if they were to push sales they could clear their shelves off completely in short order.

However, most of them indicated that they can hold out this year without too much trouble, drawing on inventories and what merchandise is now completed at the factories.

Many of their suppliers are working largely on war work. Manufacturers of fountain pens, some silverware manufacturers and watchmaking firms are as much as 75% on war work.

One man mentioned an order of merchandise he placed two months ago which he now is told he may never get.

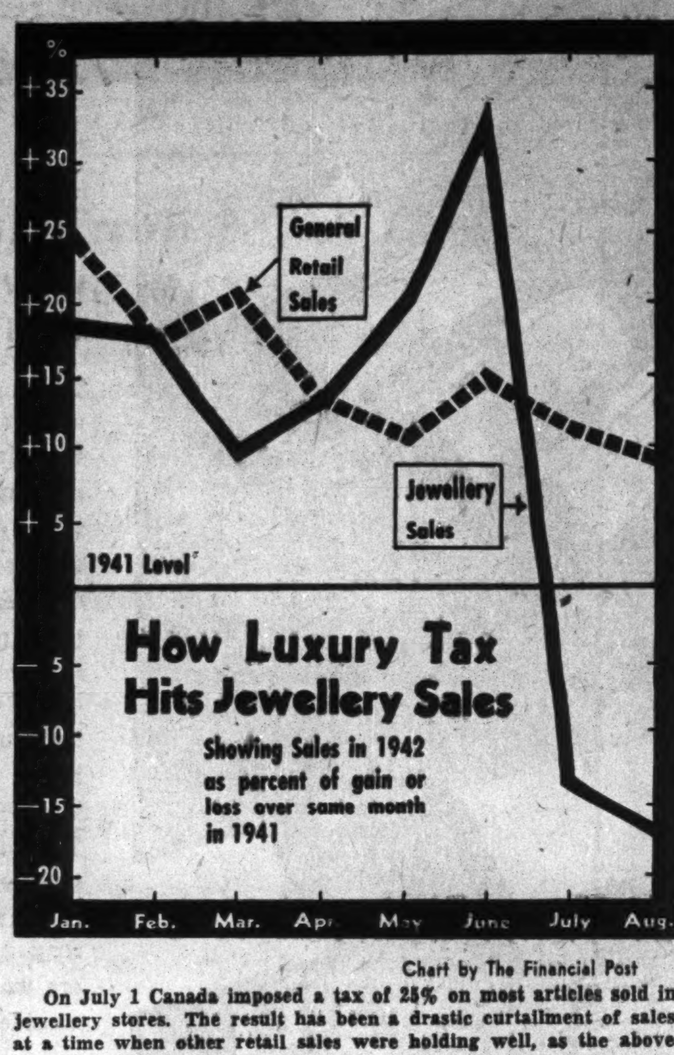


Chart by The Financial Post

On July 1 Canada imposed a tax of 25% on most articles sold in jewellery stores. The result has been a drastic curtailment of sales at a time when other retail sales were holding well, as the above chart illustrates.

Metal Shortages

Shortages of various metals which the jewellery trade uses have been noticeable for some months past. Gold and silver, until now at least, have been relatively easy to obtain. But the other base metals which are used as the basis for plated ware are scarce.

Costume jewellery may be entirely cut off at any time. The majority of lockets, compacts and other items of that nature sold in Canada used to come from the United States but imports are now shut off. Some manufacturers have been turning out goods in Canada but the jewellery trade apparently does not regard this effort as being any too successful as yet.

Watches and Watchmakers

A large proportion of the watches sold in Canada came wholly or in part from Switzerland. In many cases the works were imported and the cases made on this side of the Atlantic. Up to now imported watches from Switzerland have been coming through in fair numbers but recently the Swiss have shut off exports of waterproof watches, a line in great current demand with the armed forces. Some watchmakers in this country are said to have enough on hand to last two years at the rate they are now rationing them out to their dealers. Others are not so well off.

Many jewellers, when they saw their business threatened by shortage of merchandise, turned to repair work as an alternative source of income. Most of them had always done a certain amount of this but for many it had not been a line which was considered important. And now they are finding watchmakers almost impossible to obtain.

Recently the Air Force wanted 80 watchmakers and advertised for them but got not a single reply. When the Air Force wants watchmakers and does not get them voluntarily it is very likely to take other measures and get what it needs.

Thus jewellers are threatened with loss of their skilled workmen. It is quite common for larger firms to take from six to eight weeks to repair a watch, and even some of the smaller units are likely to have to tell customers that it will require up to a month to do the work.

Watchmaking is a skilled trade requiring a five-year apprenticeship but there are said to be no apprentices taking the course at the present.

Few Alternate Lines

Jewellers have been searching for substitute lines which they could handle but have not been too successful. Most of them have been handling leather goods and the supply situation here is not as bad as it is in most jewellery lines. Leather goods in Canada are taxed at a rate of 35% but this tax is imposed at the source. The average customer does not find a concealed tax of this nature nearly as serious a barrier to purchase as a retail tax of 25% which he sees listed in his statement.

Electrical appliances have been handled by many jewellers but here the supply is getting very low. One man told The Post that he had sold the last electric iron he had within the last few days and had only about half a dozen electric toasters left. When these were gone, he did not expect to be able to get any more.

One line which many are trying to handle as a substitute is china. This is not a new line to the jewellery trade but has been an important part of the sales volume of many units for a long time. But others are now attempting to enter the business. Practically all high-grade china comes from the United Kingdom.

While Britain is apparently anxious to export china, labor shortages in that country limit the amount which can be made and shipping shortages further limit the amount that can be carried to this country.

The jewellery trade recognizes that it is likely to have an extremely low priority as far as manpower is concerned. It appears to be recognizing that its difficulties are not going to be solved so long as the war lasts. It is admitted that there will be many casualties in the business, just how many is not known as yet. The hope of most of them is that they will be able to make their current stocks, and the small amounts they are still able to pick up, last as long as possible.

The Shareholder

How to treat the refundable portion of excess profit tax in earnings statements is a problem which seems to be causing confusion at the moment. The first reports to appear showing this as a separate item, such as that of the Toronto Elevators, deduct the refundable portion from the provision for income and excess profit taxes, thus, in effect, including this refundable portion in current earnings available for dividends.

There does not seem to be any unanimity of opinion among chartered accountants as to exactly what should be done with this matter. It is recognized that the refundable portion of excess profit tax belongs to the company all right but it is also emphasized that this is something which the company has to pay out and which it will get back at some uncertain date in the future.

* * *

One chartered accountant points out that in any case the refundable portion is not worth its full face amount today but only the present value of what it would be at some uncertain date in the future. He emphasized that no one would be willing to give 100 cents on the dollar for this claim right now. This same man points out, however, that he thinks a company would be justified in paying dividends in part out of this refundable tax provided always that its current financial position justfies such action.

In this case, it is possible that the company might be up against a ruling of the Foreign Exchange Control Board which will not permit a company to send as dividends out of the country anything except its current earnings. It is understood that a committee of the Dominion Association of Chartered Accountants is working on this problem of how to treat this portion of the tax and may soon arrive at a definite policy.

* * *

Newsprint stocks have been enjoying a stronger market recently. This, coming in the face of publicity given to restriction moves to save power by the industry, seems hardly the expected action. In recent days, brokers have been bidding for newsprint shares of which Price Bros. is an example, without being able to secure offerings near their bidding price.

Two or three factors may account for this situation. In the first place so much publicity has been given to the adverse side of the newsprint picture that it seems reasonable to expect that stocks and bonds have pretty thoroughly discounted the worst that is likely to happen. Thus, when the power restrictions actually come, the reaction may be favorable from the stock price standpoint.

* * *

Another point which might be occasioning some speculation is the matter of prices for newsprint going to the United States. Several months ago the newsprint companies had their attempt to increase their prices to United States publishers turned down by price control authorities at Washington. In the meantime it appears the newsprint manufacturers have not given up the fight for higher prices to offset increased cost and it may be that some measure of success may be achieved although there is nothing official to indicate that this may happen.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Eastern Car	*6%	1962	Jan. 1	105
Three Rivers Grain & El. ...	6½%	1951	Nov. 1	[illegible]

*$52,000.

Ten Months' Dividends Show $14 Millions Drop

(Continued from page 1)

Creek and Stedman Bros. Fairchild Aircraft is paying its initial dividend of 25 cents a share.

Two companies are paying on accumulated arrears. Canadian Wirebound Boxes is paying 12½ cents a share on its class A stock and International Power $2 a share on its preferred.

Two other companies have resumed dividends after a lapse. Humberstone Shoe is paying 50 cents a share, first payment since 25 cents was paid in Nov., 1941. Powell Rouyn is paying two cents a share. Its last previous payment was five cents in April, 1940.

Reduced dividends are being paid by three mines and one textile company. Cariboo Gold has reduced its payment to three cents from four, Pioneer Gold from eight cents to five, Premier Gold from two cents to one and a half cent. Tip Top Tailors is paying 7½ cents a share on its common instead of 15 cents as formerly paid.

October Dividneds—— —

Monthly Dividends

	1942 $	1941 $
January	22,952,057	23,026,402
February	10,016,154	10,655,895
March	27,730,638	27,821,583
April	21,221,615	23,823,789
May	6,357,276	7,230,853
June	48,456,376	58,275,666
July	27,581,376	28,855,735
August	10,531,957	9,936,960
September	26,079,809	27,599,085
October	20,423,624	20,225,863
Total	221,350,882	235,453,841

Industrials and Utilities

Company	Rate	Date	Amount
Agnew Surpass, pfd.	1.75q	1	15,333
Alta. W. Pres. pfd.	1.75q	1	3,780
Amer. Cyan. A. B.	.15q	1	392,754
Do., pref.	†.12½q	1	138,335
Assoc. Brew. pfd.	1.75q	1	12,492
Belding Cort.	1q	1	7,495
Do., pref.	1.75q	1	15,142
Bell Telephone	2q	15	1,677,784
Biltmore Hats	.15q	15	12,000
Brantford Cord. pf.	.32½q	15	11,654
Brazilian Tr. pfd.	1.50q	1	5,901
B.C. Elec. Pr. & G. p.	1.50q	1	75,000
B.C. Power, A	.50q	15	500,000
Building Products	.17½q	1	84,592
Burlington Steel	.15q	1	21,000
Canada Bread, pfd.	1.50q	1	18,750
Do., B pref.	.62½q	1	15,625
Can. Nor. Power	■.15q	26	60,000
Do., pref.	■1.75q	15	96,250
Canada Packers	1q	1	200,000
Can. Breweries, pfd.	.85q	1	138,720
Candn. Canners	.12½q	1	17,223
Do., 1st pref.	.25q	1	47,719
Do., participating	.05	1	9,543
Do., 2nd pref.	.15q	1	54,559
Do., participating	.05	1	18,186
Canadian Car. pref.	.43q	10	120,400
Can. Converters	.50q	31	8,667
Can. Cottons	1q	1	27,155
Do., pref.	1.50q	1	50,109
Can. Fairbanks, pfd.	1.50q	15	17,517
Can. Gen. Electric	2q	1	377,690
Can. Industries A, B	1.50q	31	1,050,211
Do., pref.	1.75q	15	81,375
Can. Tube & Stl., pfd.	1.75	15	26,250
Can. West'ghouse	.50q	1	273,000
Can. Wire Box A	.37½q	1	19,093
Do., arrears	.12½	1	6,364
Carnation Co. 1'st pfd.	†1.25q	1	36,698
Cel'nese of Am. 5% pf.	†1.25q	1	47,137
Do., pr. pref.	†1.75q	1	288,431
Do., 2nd pref.	†1.75q	1	259,312
Comm. Alcohols	.05	15	10,025
Do., pref.	.10q	15	5,000
Consumers' Gas	2q	1	291,104
Cons. Bakeries	.15q	1	47,766
Dom. Foundries	.25q	1	91,253
Dominion Glass	1.25q	1	53,125
Do., pref.	1.75q	1	45,500
Dom. Oilcloth	.30q	30	210,000
Do., extra	.10	30	70,000
Dominion Textile	1.25q	1	337,500
Do., pref.	1.75q	15	33,960
Easy Washing, pref.	.17½q	1	1,125
Fairchild Aircraft	.25	31	31,950
Fanny Farmer	†.37½q	1	134,389
Foundation Co.	.35q	17	29,610
Gatineau Power, pfd.	1.25q	1	152,450
Do., 5½% pref.	1.37q	1	47,950
Goodyear Tire	.62q	1	159,501
Do., pref.	.62½q	1	72,465
Goulds Pumps, pf.	†3	2	22,425
Gt. Lakes Pap A B pf.	.25	1	50,000
Gt. Lakes Power pfd.	1.75q	15	13,125
Greening Wire	.15q	1	28,500
Ham. Cotton	.10	1	2,000
Do., pref.	.50q	1	9,055
Hinde & Dauch	.25q	1	74,983
Honey Dew	.50q	1	10,322
Humberstone Shoe	.50	7	10,000
Inter. Bronze	.37½q	15	37,500
Do., pref.	.37½q	15	37,500
Intern'tl Milling, pf.	†1.25q	15	67,895
Intern'tl Power, pfd.	1.75q	1	140,000
Do., arrears	2	1	160,000
Jam. Pub. Service	.17q	1	22,950
Do., pref.	1.75q	1	13,125
Lang John A.	.17½q	1	17,500
Maple L. Gardens, pf.	.40a	15	31,687
Mod. Containers	.30q	1	7,500
Do., pref.	1.37½q	1	4,125
Mtl. L. H. & Pwr.	.37q	31	1,660,942
Montreal Telegraph	.48	15	24,000
Moore Corp.	.55½q	1	234,955
Do., pref. A B	†1.75q	1	82,980
Murphy Paint	.20q	1	13,760
Do., pref.	1.37½q	1	5,318
National Brew.	.50q	1	360,686
Do., pref.	.44q	1	48,840
National Grocers, p.	.37q	1	64,201
Nat. Steel Car	.50q	15	87,750
Nor. Ont. Power	.12q•	26	28,804
Do., pref.	1.50q	26	37,474
N.S. Light & Pr. ord.	1.50q	1	51,784
Ogilvie Flour, c.	.25q	1	150,000
Ottawa Elec. Rly.	.50q	1	17,598
Ottawa L. H. & Pr.	.15q	1	20,991
Do., pref.	1.25q	1	21,250
Page Hersey	1.25q	1	217,845
Porto Rico Pwr. pfd.	1.75q	1	17,500
Power Corp., pfd.	■1.50q	15	75,000
Do., 2nd pref.	■.75q	15	75,000
Price Bros., pref.	1.37½q	1	86,409
Provincial Paper pf.	1.75q	2	61,250
R. Silk Mills A	.50q	1	15,000
St. Law. Corp. A pf.	.25q	15	72,394
St. Law. Paper pfd.	.75q	15	102,885
Sher.-Williams, pref.	1.75q	1	60,550
Silverwood D.	.20s	1	35,319
Do., pref.	.20s	1	29,000
H. Smith Paper, pfd.	1.50q	15	107,554
South. Can. Power, p.	1.50q	15	106,333
Standard Fuel, p.	1q	1	11,880
Standard Radio A 13	.10	10	21,500
Stedman Bros.	.15q	1	13,500
Do., extra	.30	1	27,000
Do., pref.	.75q	1	4,500
Tamblyn, G.	.20q	1	22,400
Do., pref.	.62½q	1	3,750
Tip Top Tailors	.07½q	1	9,000
Do., pref.	1.75q	1	17,619
Tuckett Tob. pref.	1.75q	15	35,000
United Fuel, pf. A	.75q	1	67,500
Vian, pref.	1.25q	1	11,825
Wabasso Cotton	1q	1	69,903
West Koot. Power p.	1.75q	1	8,750
West. Breweries	.10	15	24,478
Western Grocers	.75q	15	12,706
Do., prfe.	1.75q	15	20,899
Weston, George c.	.20q	1	80,884
Wilsil	.25q	1	33,925
Willson Stat. pfd.	1.25q	15	4,393
Zellers	.20q	31	25,000
Do., pref.	.37½q	31	11,250
Total			13,410,625

Mining Companies

Braborne Mines	.20q	15	249,400
Do., extra	.10	15	124,700
Can. Malartic G.	.02q	6	73,026
Cariboo Gold	.03q	1	33,999
Dome Mines	■.40q	20	800,000
Gold Belt	.02	31	51,000
Hollinger Cons.	.05	7	246,000
Kerr-Addison G.	.05	28	236,515
Lamaque Gold	.10	1	300,000
Do., bonus	.15	1	450,000
Moneta Porc.	.02q	15	50,876
Negus Mines	.02½	31	49,925
Pamour Porcupine	.08	15	400,000
Pioneer Gold	.05	1	87,585
Powell Rouyn G.	.02	24	25,000
Premier Gold	.01½	15	75,000
Preston E. Dome	.05q	15	150,000
Proprietary Mines	.05	29	49,365
Sheep Creek Gold	.04q	15	75,000
Do., extra	.01	15	18,750
Silbak Premier	.04q	26	100,000
Surf Inlet Cons.	.01	15	26,728
Teck Hughes	.10	1	480,714
Wright-Hargreaves	.10q	1	550,000
Total			4,703,583

Oil Companies

Brit. Amer. Oil	.25q	1	693,160
Calgary & Edmonton	■.05	15	120,555
Canadian Oil, pfd.	2q	1	40,000
Federated Pete	.01½	28	22,154
McColl-Fron. pfd.	1.50q	15	115,005
North Star Oil, pfd.	.08¾q	1	17,500
Petrol Oil & Gas	.02	1	4,400
Total			1,012,974

Financial

Bank of N. Scotia	3q	1	360,000
Brit. Amer. Assur.	1.50s	1	45,000
Brockville Trust	.62½q	1	6,250
Canada Life	5q	1	50,000
Can. Perm. Mtge.	2q	1	140,000
Can. For. Invest., pf.	2q	1	11,834
Can. Gen. Invest.	■.12½q	15	75,073
Central Can. Loan	2q	1	50,000
Chartered Trust	1q	1	10,000
East. Can. Savings	1.50q	1	11,250
Eastern Trust	2q	1	20,000
Economic Invest.	.62½	1	24,953
General Trust, pfd.	$1.25q	15	13,750
Gt. West Life	3.75q	1	37,500
Guaranty Trust	1.25q	15	3,750
Huron & Erie Mtge.	1½q	1	80,000
Invest. Found. pfd.	.75q	15	21,420
Landed Banking	1q	1	10,000
Mtl. C & D. Bank	3q	1	60,000
National Trust	2q	1	60,000
Ont. Loan & Deb.	1.25q	1	50,000
Sun Life Assur.	3.25q	1	65,000
Tor. Gen. Trusts	1q	1	30,000
Toronto Mortgage	1.25q	1	24,662
Western Assur, c.	1.20s	1	66,000
Total			1,296,442
Grand total			20,423,624

qQuarterly. sSemi-annually. aAnnually.
†Payable in U. S. funds.
■Subject to approval of Foreign Exchange Control Board.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39—100)												
1929-41:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	59.8	63.4	46.5	76.0	76.9	67.0	71.2	60.3	83.6	65.2	63.9
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.3
Apr.	70.6	63.2	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
May	74.7	61.1	70.5	43.2	104.3	73.5	94.2	75.7	60.7	87.4	66.4	62.0
June	76.2	61.1	69.6	44.5	106.6	73.9	93.6	76.8	64.3	87.7	68.1	62.8
July	76.6	58.9	65.3	46.6	100.4	75.9	95.5	75.3	65.2	81.7	67.8	62.4
Aug.	76.0	56.0	61.2	47.5	97.7	75.3	98.3	73.1	66.9	71.9	67.8	61.6
1942: Weekly Figures:												
Sept. 3	75.8	54.7	59.7	48.4	98.3	75.2	96.9	71.8	66.1	69.8	67.3	61.3
Sept. 10	76.3	54.7	59.7	48.7	98.3	74.0	97.4	71.0	65.7	68.4	67.1	61.5
Sept. 17	77.0	54.8	61.3	49.0	100.0	73.5	96.3	71.0	67.0	69.2	68.2	62.0
Sept. 24	78.8	56.3	61.9	49.5	101.1	74.0	99.6	71.5	68.4	68.7	70.0	63.2
Oct. 1	79.3	57.7	65.1	48.7	99.6	75.3	101.6	71.4	67.1	69.6	71.4	63.6

*High and low for years from 1929 to 1941 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926—100; for 1939 and subsequent years the base is 1935-39—100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Oct. 6	87.90	58.70	60.47	15.71
Oct. 5	87.99	58.72	60.58	15.64
Oct. 3	88.07	58.88	60.35	15.62
Oct. 2	87.39	59.01	59.89	15.59
Oct. 1	86.76	58.40	59.65	15.60
Sept. 30	87.20	58.48	59.82	15.61
Month ago	83.93	58.43	58.83	15.51
Year ago	96.15	99.68	71.32	19.84
High 1942	93.50	83.71	71.01	18.86
Low 1942	79.85	58.40	58.74	15.44

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Oct. 6	43.3	56.0	51.8	55.38	39.08
Oct. 5	43.4	56.0	51.8	55.68	38.25
Oct. 3	43.6	55.6	51.6	56.19	38.38
Oct. 2	43.6	55.4	51.5	55.52	38.38
Oct. 1	43.5	55.1	51.3	54.49	38.30
Sept. 30	43.7	55.0	51.2	54.17	38.70
Month ago	42.4	53.8	50.0	48.71	38.49
Year ago	47.1	63.5	58.0	82.04	72.22
High 1942	44.8	60.5	54.7	77.18	54.82
Low 1942	39.6	53.5	49.8	47.98	36.94

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Sch. Com. of Mun. of Montreal East, P.Q.	Sept.	Rene T. Leclerc	4%	20-yr.	$15,000	100	....
Dominion——							
Canada Treasury Bills	Oct.		....	Dec. 30, '42	45,000,000	98.871	.530%
Canada Deposit Certificates	Oct.	Chartered Banks	¾%	Mar. 30, '43	45,000,000	100	....
Canada Deposit Certificates	Oct.	Chartered Banks	¾%	Apr. 6, '43	45,000,000	100	....

Market Opinions

Recent stock market action in New York is seen as confirming continuation of the upward trend and is causing commentators to become increasingly optimistic.

* * *

Barrons, N.Y. (The Trader)—The stock market had advanced far enough and long enough since the low of late April to give every assurance after declining for 31 months that it is engaged in a major upward swing. What it is undertaking to discount is immaterial. Fundamental justification for the movement has existed for months in the relationship between stock and bond yields. Further progress may be slow for the time being and there is always the possibility of an adjustment coming in the wake of a temporary buying climax. In the long run, however, as the unbelievably defeatist sentiment of the past three years vanishes and momentum of normal American buoyancy gains ground the advantages of stocks over cash are likely to become increasingly marked.

* * *

Barron's, N.Y. (The Dow Theorist)—The stock averages are indicating that a bull market is under way. Both industrial and rail averages have advanced substantially above the tops of their respective ranges, thus confirming the bull market. Full justification and precedent for this interpretation exist.

* * *

Magazine of Wall Street, N.Y.—As is the case in the London market, our trend appears bullish in a selective and "slow motion" kind of way. We think the market will work higher and favor discriminating purchases on recurrent dips.

* * *

Financial World, N.Y.—By far the greater number of market developments of recent months have added to the accumulating evidence that the direction of least resistance is upward. Inclusion of a limited amount of "war baby" issues among one's holdings, where the risks can be assumed, is warranted by the prospect that the war will not terminate for several years. But the bulk of the individual's investment capital should be represented by the shares of companies currently able to show reasonably satisfactory earnings and possessing good postwar prospects.

The Bondholder

Public expenditure, rather than that from private sources, will be the keynote of the postwar world, according to the newly-issued year book of the Citizens' Research Institute of Canada. While G. W. Spinney, chairman of the National War Finance Committee, this week said that a reduction in taxes after the war could be expected, the Institute forecasts:

"There is little possibility of a significant reduction in taxation for many years after the war and there is little likelihood that there ever will be even an approximation of the tax level of pre-war years."

* * *

Several reasons are advanced for this view. First is that we will have to meet interest charges on an "enormous national debt, just how enormous we will not know until the conflict is over." Second is that there will be a long period of readjustment which will require high public expenditure on both current and capital account. Third is the government's social service programme, started before the war and which will probably have a wide extension.

* * *

Concludes the Institute: "Every indication points to a huge shift in the centre of gravity of national expenditure from private to public expenditure. It will be the part of wisdom for citizens and privately controlled industry and business to adjust themselves progressively, mentally and morally, to the progressive and inevitable changes in the social, economic and political environment."

* * *

Albert Bay Co. proposals to change its bond set-up may cause something of a proxy fight at the meeting scheduled for Oct. 13. The company defaulted on its maturity of 6½% first mortgage bonds which fell due Aug. 1. It is now proposed to extend the maturity of these bonds to 1960 and reduce the coupon rate to 5%. It is understood that neither of these provisions has aroused any particularly vocal opposition. The bone of contention is the proposal that starting Feb. 1, 1943, the company will pay to the trustee $10,000 annually. Of this amount $5,000 would be used for bond redemption and the balance put in trustee securities for the first five years.

Opponents of the plan say the entire $10,000 should go into bond redemption and are understood to be gathering proxies to back up that viewpoint. It is believed that the intention of investing the $5,000 annually for five years is to get $25,000 to apply against the purchase price of the land on which the building is located. This land is held on a leasehold basis only but may be purchased for $100,000 at any time.

* * *

Western Grain 6's at around 61½ bid showed about a point better on the week. An interesting item in the balance sheet which was issued during the week was the expansion to $182,352 from $28,102 of the company's holdings of its own bonds, the figures being at cost. Bondholders viewed this $154,250 redemption as improving the position of their holdings, and figured that further similar action might reasonably be expected.

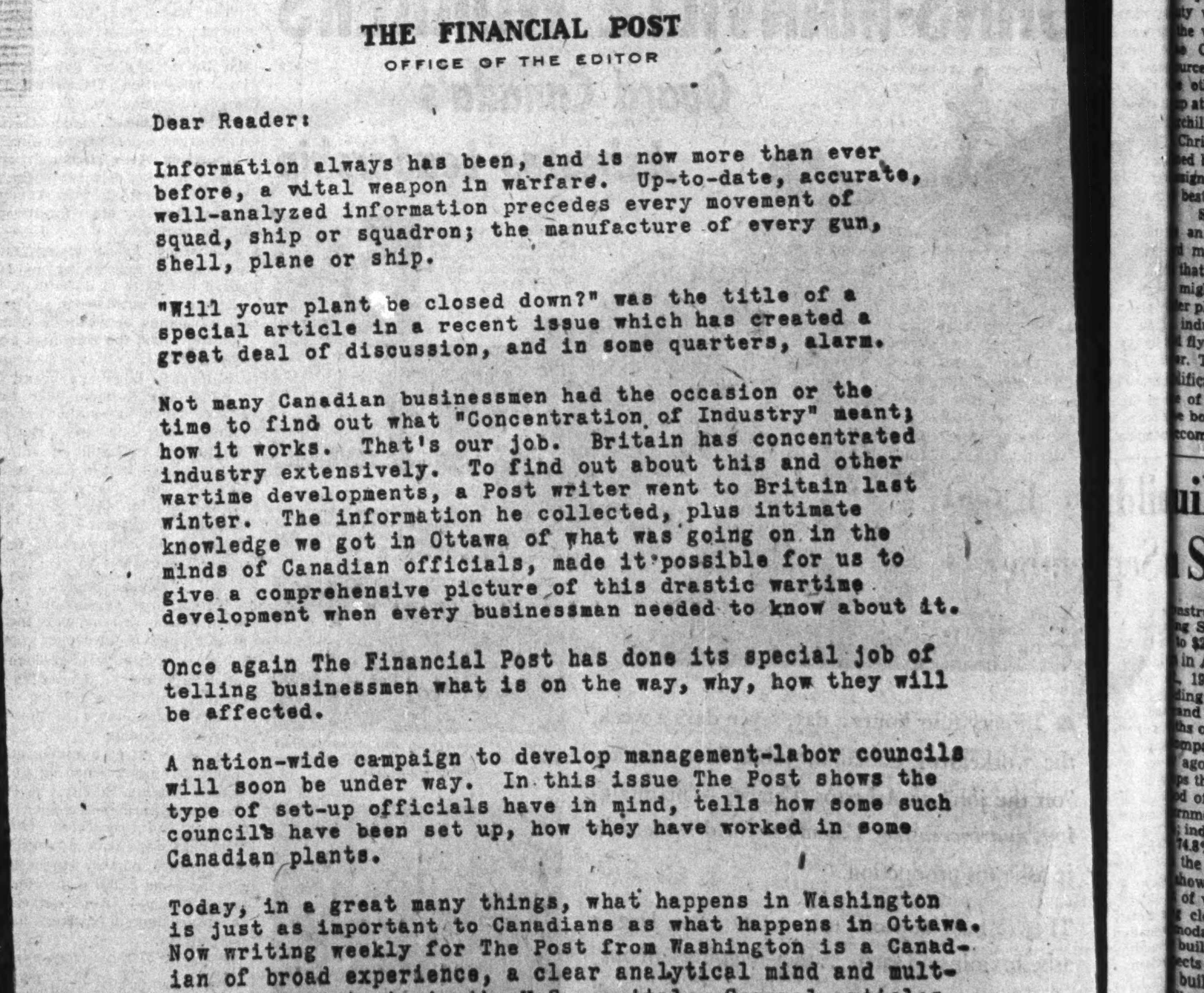
* * *

Burns Co. 5's of 1958 picked up close to a point to around 71½ bid. This improvement was largely traceable to announcement of the new bacon deal with the United Kingdom. Much of the extra 75 million pounds that the new contract calls for will be supplied from the West, which should mean a continuing high level of activity for Burns of Calgary.

ADVOCATES PEA SIZE COAL

Householders have been advised by Coal Administrator J. McG. Stewart to look into the advantages of burning pea coal in place of larger sizes. He said pea coal is cheaper and gives as much heat. In Pennsylvania hard coal regions, 50% of the coal burned by householders is pea size.

INVESTMENT SECURITIES
NESBITT, THOMSON & COMPANY, LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada



THE FINANCIAL POST
OFFICE OF THE EDITOR

Dear Reader:

Information always has been, and is now more than ever before, a vital weapon in warfare. Up-to-date, accurate, well-analyzed information precedes every movement of squad, ship or squadron; the manufacture of every gun, shell, plane or ship.

"Will your plant be closed down?" was the title of a special article in a recent issue which has created a great deal of discussion, and in some quarters, alarm.

Not many Canadian businessmen had the occasion or the time to find out what "Concentration of Industry" meant; how it works. That's our job. Britain has concentrated industry extensively. To find out about this and other wartime developments, a Post writer went to Britain last winter. The information he collected, plus intimate knowledge we got in Ottawa of what was going on in the minds of Canadian officials, made it possible for us to give a comprehensive picture of this drastic wartime development when every businessman needed to know about it.

Once again The Financial Post has done its special job of telling businessmen what is on the way, why, how they will be affected.

A nation-wide campaign to develop management-labor councils will soon be under way. In this issue The Post shows the type of set-up officials have in mind, tells how some such councils have been set up, how they have worked in some Canadian plants.

Today, in a great many things, what happens in Washington is just as important to Canadians as what happens in Ottawa. Now writing weekly for The Post from Washington is a Canadian of broad experience, a clear analytical mind and multitudinous contacts in the U.S. capital. Several articles by him in this issue increase our understanding of what goes on in Washington, and show how we are affected.

Yours very truly,
R. A. McEachern
Editor

Ronald A. McEachern

unicipalities to Expand War Work?

See Local Government Duties Assuming a Broader Scope

st effective, most direct way ich Canadian municipalities aided the general war effort een to cut their tax rates and e the total of their funded Chances now are that mu- al governments may broaden scope of their operations to der further wartime respon- ies.

veral weeks ago, Toronto's r Fred J. Conboy called for r use of municipal govern- machinery, declared:

"In our government organiza- s, Federal, provincial and nicipal, we are setting up too ch machinery. Municipal vernments, with financial pport, could do some of the rk being done by the Fed- l government very capably."

ho of that opinion was heard an Ottawa source at the re- annual convention of the rio Municipal Association. A. Mackintosh, economic ad- to the Department of Fin- pointed out that along with function as spending bodies, icipalities have another im- nt wartime role to play.

Need Local Boards

is one of the most important cteristics of municipal gov- ents that they are in close ct with the people of their ity and that they and their ls are in a position to do to counter idle or self-in- ted rumor, of facilitating ral programmes which need adaptation and initiative, of passing on adequate ex- ations of measures which are applied locally. Mr. Mack- expressed the hope that more use will be made of cipal authorities as the need ocal organization and direction grows. As governmental direction of all wartime activities increases, there will be need for many more local tribunals, adjustment boards, and advisory bodies which can dispose of local disputes and difficulties in the light of local conditions without reference to Ottawa. These will be particularly necessary in the administration of rationing and direction of manpower.

Housing Problem

One of the worst problems besetting many war-swollen communities is the shortage of housing. While manpower is commonly looked upon as one of the greatest impeding influences to an expanded war production programme, it is actually a fact that some war plants have been able to locate workers but have been unable to bring them to the plant as there was no housing accommodation available in town.

The housing situation imposes a responsibility on our municipalities that has both immediate and post-war aspects. Present responsibility is to help alleviate wartime crowding, post-war responsibility will be based on the need to take proper care of the unfilled, accumulated demand for homes. Both accent the necessity for proper planning by each individual municipality affected by such conditions.

Postwar Demand

Today's need for enlarged housing accommodation is quite apparent, it has been discussed many times. When peace returns there seems little doubt that demand for new housing will continue. Should there be prosperous conditions then, the public will seek to gratify their pent-up desires for a new home; should there be depression it may be expected that there will be a general demand for housing projects to relieve unemployment. Both of these possibilities point the need for adequate planning, for if large scale housing programmes are undertaken without some central regulating authority then many of those programmes may prove ineffective and wasteful.

Planning Needed

The advantages of proper town planning are many—it helps prevent quick deterioration of values and growth of slum areas, comprehensive planning can enhance the value and attractiveness of a municipality; the financing of houses is greatly facilitated where the investment is reasonably protected by zoning by-laws. Municipalities can make a major contribution to Canada's postwar planning by providing in advance for adequate zoning and planning of their communities.

Not only in the field of housing is there an avenue for municipal planning. Many types of capital works are being postponed on account of war conditions; when peace returns, this accumulation may open the way for more waste in exactly the same way as described for housing. Preplanning to ease transition to peace economy from war economy calls for the co-ordination of municipal government activities with the municipal departments of the provincial governments, so that a comprehensive and continuing plan may be visualized, despite any changes involved through elections.

For the past several years, Canada's municipalities generally have been reducing their expenditures, the only one of the three Canadian levels of government—Federal, provincial and municipal—to show this trend.

To most municipalities the expanded activity that war has brought has meant improved tax revenues along with better collections on tax arrears. Annual reports show heavier surpluses from operations. These more prosperous conditions have been reflected in two ways, first in lower tax rates, second in reducing outstanding debenture debt. Many are the municipalities that have found their positions sufficiently improved to knock several mills off their tax rate. The accompanying table, compiled by The Financial Post for a sample group of Canadian municipalities, shows the outstanding progress that was made last year in reducing the load of debt. The results shown are typical of other municipalities across Canada.

Much of the decline in expenditures by municipal governments recently has been attributable to decreases in cost of public welfare, traceable to improved business conditions — something for which the municipalities cannot take much credit. Still the biggest item on municipal budgets is cost of education which takes from a quarter to a third of the taxpayer's dollar.

The accompanying table is offered merely as a sample. It does not detail the worthwhile performance of many municipalities, for instance Hamilton cut its per capita debenture debt to $119.50 in 1941 from $138.52, Windsor from $319.04 to $296, Regina from $150.54 to $136.77.

Municipal Finances Improve

City		Per capita taxable assessment	General tax rate educational purposes	other purposes	Per Capita net debenture debt	Net expenditures
		$	—mills—		$	$
Victoria	1941	817	11.19	26.81	303.56	1,882,559
pop. 42,907	1940	815	11.60	28.40	332.16	1,761,354
Vancouver	1941	754	15.80	32.20	184.02	14,225,753
pop. 275,304	1940	764	15.70	31.90	189.45	14,152,218
Edmonton	1941	599	16.28	22.85	255.27	4,795,126
pop. 93,924	1940	597	16.31	23.00	266.56	4,702,568
Calgary	1941	636	24.30	20.20	149.57	2,288,886
pop. 87,267	1940	647	25.10	20.90	158.33	2,264,520
Saskatoon	1941	735	26.66	17.64	161.73	1,446,886
pop. 42,230	1940	752	25.66	19.74	181.86	1,373,558
Toronto	1941	1,445	11.45	23.15	149.65	37,364,821
pop. 655,751	1940	1,474	11.45	23.70	170.02	37,977,465
Ottawa	1941	1,003	11.47	25.43	87.59	7,605,278
pop. 154,585	1940	1,028	11.40	27.60	101.31	8,341,411
London	1941	1,074	14.30	25.70	55.48	4,433,884
pop. 78,393	1940	1,074	14.63	25.02	68.63	4,785,760
Saint John	1941	954	15.00	24.80	93.52	1,856,197
pop. 50,084	1940	931	15.00	25.20	107.75	1,876,779
Sherbrooke	1941	845	10.00	11.00	121.55	1,793,169
pop. 34,904	1940	844	10.00	11.00	131.63	1,545,923

Electric Plants Set New Record

High August Returns Reflect Gains in All Sections of Country

From Our Own Correspondent

MONTREAL. — With an increase of 13¼% in production, central electric stations in August set an all-time record for that month.

According to the Dominion Bureau of Statistics the central stations produced 2,989.7 million kw.h. This contrasts with 2,640 millions for the same month last year.

Consumption of secondary power declined from 164 million kw.h. a year ago to 102 million, or by 38%.

On the other hand firm power produced for use in Canada, including line losses, amounted to 2,692.4 million kw.h., which was exceeded only by the January production in 1942 and was 4% above the July production.

Particulars of firm power consumption by provinces during August with cumulative figures for the eight-month period, together with comparative figures for 1941, follow:

Net Firm Power Consumption
(Thousands of Kilowatt Hours)

	August 1942	August 1941
	$	$
P. E. I.	725	648
N. S.	35,665	39,013
N. B.	34,907	41,562
Que.	1,286,810	969,123
Ont.	946,336	863,944
Man.	88,172	86,068
Sask.	51,648	49,597
Alta.	36,136	27,048
B. C.	212,000	211,211
Total	2,692,399	2,288,214
8 Months Ended August	1942	1941
P. E. I.	6,179	5,352
N. S.	322,926	312,281
N. B.	339,090	331,701
Que.	13,746,927	10,996,189
Ont.	6,742,583	6,337,726
Man.	1,034,731	918,534
Sask.	411,440	385,568
Alta.	253,973	193,578
B. C.	1,709,865	1,552,685
Total	24,567,714	21,033,614

During August exports of electrical energy to the United States aggregated 195 million kw.h., compared with 187.6 million a year ago.

Since the beginning of the current year exports have totalled 1,643 million kw.h., compared with 1,565 million in the like period of 1941.

McColl-Frontenac Stock By-law Passes

From Our Own Correspondent

MONTREAL. — Stockholders of McColl-Frontenac Oil Co. have approved a special by-law removing previous restrictions as to amount and time of purchase of preferred stock for the sinking fund.

The new by-law permits the company to buy the preferred shares in any amount at any time, but not exceeding the redemption price of $105 a share plus accumulated dividends. It also extends to the end of each fiscal year, the period in which the company must expend in purchase or redemption of preferred shares an amount equal to at least 10% of the net revenue earned during the next preceding year and available for distribution on its outstanding common stock.

THE DOMINION LIFE ASSURANCE COMPANY

A full range of contracts is provided by the Dominion Life meeting every type of insurance need.

A Reminder

FIRST INSTALMENT ON INCOME TAX DUE 15th OCTOBER, 1942

Taxpayers (other than corporations) must pay their 1942 income tax in four quarterly instalments if their income is derived from —

1. A business* (which includes farming).
2. A profession.
3. Investments.
4. Salary or wages when such is *less* than 75% of their total income.

The first instalment is due on or before 15th October 1942.

Payments, made payable to the Receiver General of Canada, should be sent to the District Inspector of Income Tax, accompanied either by a letter clearly written or preferably by Remittance Form T.7B Individuals. This form will be returned after each successive payment and therefore become a record between the taxpayer and the Department. This form also shows how to determine the instalment payable and may be procured from District Inspectors of Income Tax or at Post Offices.

* Where an unincorporated business is subject to Excess Profits Tax, this tax must also be paid in quarterly instalments commencing 15th October 1942 and each instalment payment should be accompanied by a letter or preferably by Form EPT-7B.

There are penalties for failure to comply with the law.

Dominion of Canada — Department of National Revenue
INCOME TAX DIVISION

COLIN GIBSON, Minister of National Revenue
C. FRASER ELLIOTT, Commissioner of Income Tax

Lower St. Lawrence Seeks to Issue Bonds

From Our Own Correspondent

MONTREAL.—Lower St. Lawrence Power Co. has applied to the Quebec Public Service Board for authority to issue $200,000 of 13-year 5% first mortgage bonds to mature Oct. 1, 1955. The purpose of the new issue is to reimburse the treasury for capital expenditures made since 1935 and preliminary expenses for the construction of a hydro-electric power station.

International Power Co. has declared a quarterly dividend of 1¾% on the first preferred stock for the period ended Sept. 30, and also 2% on account of arrears, all payable Oct. 1 to shareholders of record Sept. 15.

anada Gains Place on Board

ill Have Voice in Directing United Nations' Production

Special Correspondence

SHINGTON.—Canada's place e Combined Production and rces Board should give her an rtant voice in the direction of ction strategy both now and e postwar period. The Domin- membership in this body, h constitutes the production ral staff for the United Nations, been forecast upon competent rican authority.

ada's appointee—as represen- e of one of the three nations cing a surplus of munitions— sit down with Donald Nelson Captain Oliver Lyttelton or his ty when the production tasks he war are assigned.

e Combined Production and rces Board is junior to the other U. S.-British agencies p at the time of Prime Minister chill's first visit to the U. S. Christmas. But its objective, as ed by Lyttelton and Nelson, is ign to each country the tasks best fitted to perform.

Scope of Operations

an illustration of what the d might accomplish, Lyttelton that the British aircraft indus- might concentrate upon the er plane production and Ameri- industry upon bombers that d fly the ocean under their own r. This was a dramatic over- ification, but it indicates the of the board's operations.

e board itself has not been able ccomplish such a major objective as defined by Lyttelton. But in preparation for it, the British Commonwealth nations, the United Kingdom and the United States will undertake a joint census of capacity, resources and materials inventories. This will provide a concrete basis for total mobilization of United Nations' production facilities.

One of the things that indicate the broader approach has been assignment of the manufacture of U. S. uniforms to Australian firms for supply of American troops in the Southwest Pacific zone. This shows the kind of thing that can be accomplished.

A Canadian representative on the over-all board will be able to advance Canada's claims for full consideration of her materials needs to keep war plants busy. Representation will be particularly important when new objectives are set by the combined chiefs and staff and the assignment of these tasks is to be considered. It should be equally useful when United Nations' factories are converted to the rehabilitation of a Europe and Asia devastated by war.

Recognition Hard Won

This recognition of Canada as a major production factor in this war has not been won easily. There is resistance here on the highest level to any widening of the combined British-American committees which are charged with the direction of the war. It is based upon the hard fact that you cannot run a war by committee and the bigger the membership, the slower the decisions.

For that reason the original desire of Canada to be represented on the Munitions Assignment Board was heard with what might be described as "sympathy but regret." A similar situation existed in respect to the Combined Food Board. The whole difficulty lay in the fact that recognition of Canada opened the way to similar claims from other countries.

Upon production, however, few objections could be raised. Canada is one of three major units among the United Nations that is producing arms for export.

Here is how the Combined Production and Resources Board works:

The first decisions to be taken are military ones, which are made by the combined chiefs of staff which sit in Washington. To this body are accredited other military missions but the decisions are made by Great Britain and the United States, which in turn are approved by the British War Cabinet and the President himself.

Munitions are assigned to the various theatres of war in accordance with these decisions by the Munitions Assignment Board. But this organization deals only in finished munitions. It meets Russian requisitions, the appeals of Australia and New Zealand for arms, in accordance with the directives supplied by the high command. Its chairman is the President's own personal aide, Harry Hopkins. The ranking British member is Admiral Sir Charles Little, who also sits on the combined chiefs of staff.

The future objectives sought by the combined chiefs of staff are turned over to the Combined Production and Resources Board. Our membership on this board means if ships are sought for a second front Canada's representative will be in a position to emphasize what the Dominion has already accomplished. Our record in small arms puts us in a favorable position to claim both materials and assignment of future contracts for this important arm of total war. It assures continuance of our programme at a time when, as more and more U. S. munitions plants come into action, the greater production capacity down here could lead to Canada's position being ignored in the general picture.

When the time comes to convert from war to peace Canada should also be able to raise her voice on behalf of her production record. Without such representation, the Dominion could easily become an economic and industrial casualty.

uilding Eases September

struction contracts awarded g September in Canada drop- to $29.6 millions from $31.7 mil- in August and $39.3 millions in , 1941, according to MacLean ding Reports.

nd total for the first nine ths of the year is $228.4 millions mpared with $322.9 millions a ago, a decline of 29.2%. By ps the shrinkage from the same d of 1941 is residential, 17.3%; nment and business buildings, ; industrial, 9.8%, and engineer- 74.8%.

the total, private construction hown a marked drop, with the of work presently in progress closely related to war. Ac- odation for the services, fac- buildings and wartime housing ects make up the bulk of cur- building.

llowing is a summary of some e larger awards in September:

, Ont., plant (addnl.)	$2,000,000
peg, Man., addn. accom.	1,000,000
right, Alta., brigade camp	1,000,000
e, Que., outfitting yard	1,000,000
ne Hat, Alta., bldgs.	800,000
a Falls, Ont., plant addn.	733,000
euil, Que., storage depot	500,000
y, Que., plant addn.	500,000
ton, Alta., temp. accom.	500,000
o, Ont., ordnance bldg.	500,000
Rock, N.S., training centre	400,000
Bay, Ont., airport bldgs.	400,000
topia, N.B., camp bldgs.	400,000
ler, Que., bldgs.	400,000
ton, Alta., hangars	350,000
Joli, Que., addl. accom.	325,000
, Ont., camp bldgs.	300,000
Morin, Que., dam	300,000
, Ont., addl. accom.	300,000
Vancouver, B.C., machine	283,700
hale, Que., hospital	256,000
al, Que., admin. bldg.	240,000
Ont., addl. accom.	200,000
Borden, Ont., addl. accom.	200,000
Ont., addl. accom.	200,000
ald, Man., addl. accom.	200,000
Man., addl. accom.	200,000
nd, Ont., 3 dormitories	200,000
William, Ont., housing	200,000
York Twp., Ont., plant	200,000
, Ont., plant	200,000

Power Needs Rise 17½% Above 1941

From Our Own Correspondent

MONTREAL — Consumption of power in Canada last August was 17½% greater than for the same month last year.

Though the gain was general, with the exception of the Maritimes, notable increases were recorded by Quebec and Alberta due to the greater demands from electro-chemical and electro-metallurgical industries. Quebec consumed 32.8% more electricity in August than a year ago, while Alberta reported a gain of 33%. Ontario was well up on the list with an advance of 9.4%.

Manitoba Paper Co. On Full-time Basis

Manitoba Paper Co., wholly owned subsidiary of Abitibi, is now working on a full-time schedule, after having been operating on a 50% basis for the past year.

The step up in operations at Pine Falls, Man., is understood to be due to the allotment of tonnage from eastern mills which have had to curtail operations due to restricted use of power.

Public Utility Earnings

East Kootenay Power
August

	1942	1941
	$	$
Gross earnings	64,425	61,634
Oper. expenses	24,446	18,961
Net earnings	39,979	42,673
5 Mos. Ended Aug. 31		
Gross earnings	319,533	281,375
Oper. expenses	127,075	89,145
Net earnings	192,458	192,230

Operating expenses do not include income and profit taxes.

Canada Northern Power
August

	1942	1941
	$	$
Gross earnings	366,170	419,694
Oper. expenses	150,894	186,573
Net earnings	215,276	233,121
First Eight Months	$	$
Gross earnings	3,044,041	3,357,488
Oper. expenses	1,203,399	1,478,248
Net earnings	1,840,642	1,879,240

MEXICAN LIGHT & POWER
June

	1942	1941
	$	$
Gross earnings	836,719	737,580
Oper. expenses	633,360	597,651
Net earnings	203,359	139,939
First Six Months		
Gross earnings	5,579,495	4,409,708
Net earnings	1,841,665	791,628

Bureau Cautions Canadians About Tel. Cable and Radio

Numerous Canadian business firms have recently received a communication from Telegraphic Cable & Radio Registrations, Inc., New York. This company seeks to collect $6.50 from prospects for listing or registration in what they term "Marconi's International Register."

The Financial Post is told by Better Business Bureau that both the business practices and the services offered by this company may not be all that they pretend to be. It bills prospects for something which was not in many cases ordered.

Telegraphic Cable & Radio Registrations goes back to the time before the organization of Central Bureau of Registered Addresses, New York, by the various cable companies, a service which is provided co-operatively and prevents duplications of cable addresses. Prior to this bureau's organization, there were various companies offering services for registration of cable addresses, but, The Financial Post is told, there is little or no need for such services under present conditions.

Pearson Proposes Labor Amendment

Would Compel Recognition of Unions as Bargaining Agents

From Our Own Correspondent

VANCOUVER.—Hon. George S. Pearson, minister of labor, recently made a statement in which he advocated compulsory recognition of trade unions as bargaining agents in industrial disputes. He admitted that this attitude was a reversal of his former opinion.

Because of the minister's feeling on the subject, it seems likely that he will make an effort to amend the Industrial Conciliation and Arbitration Act during the next session of the Legislature, probably in January.

"Most of our disputes," stated Mr. Pearson, "are over the refusal of companies to properly bargain with the properly elected representatives of their employees, and further by the positive refusal of nearly all employers to accept union agreements.

"I have come to the conclusion that the time is now ripe—and that is my personal opinion only, for it has not been discussed by the government—to seriously consider amending the Industrial Conciliation and Arbitration Act so that employers shall be compelled to bargain with the properly elected committees of their employees, and where the majority of the employees can be shown to be bona fide members of a properly constituted trade union, employers shall be compelled to recognize the union as a bargaining agent for the employees.

"I had hoped that the act would provide adequate machinery for free bargaining. However, I have come to the conclusion free bargaining cannot be properly achieved unless greater obligations are placed on the employers."

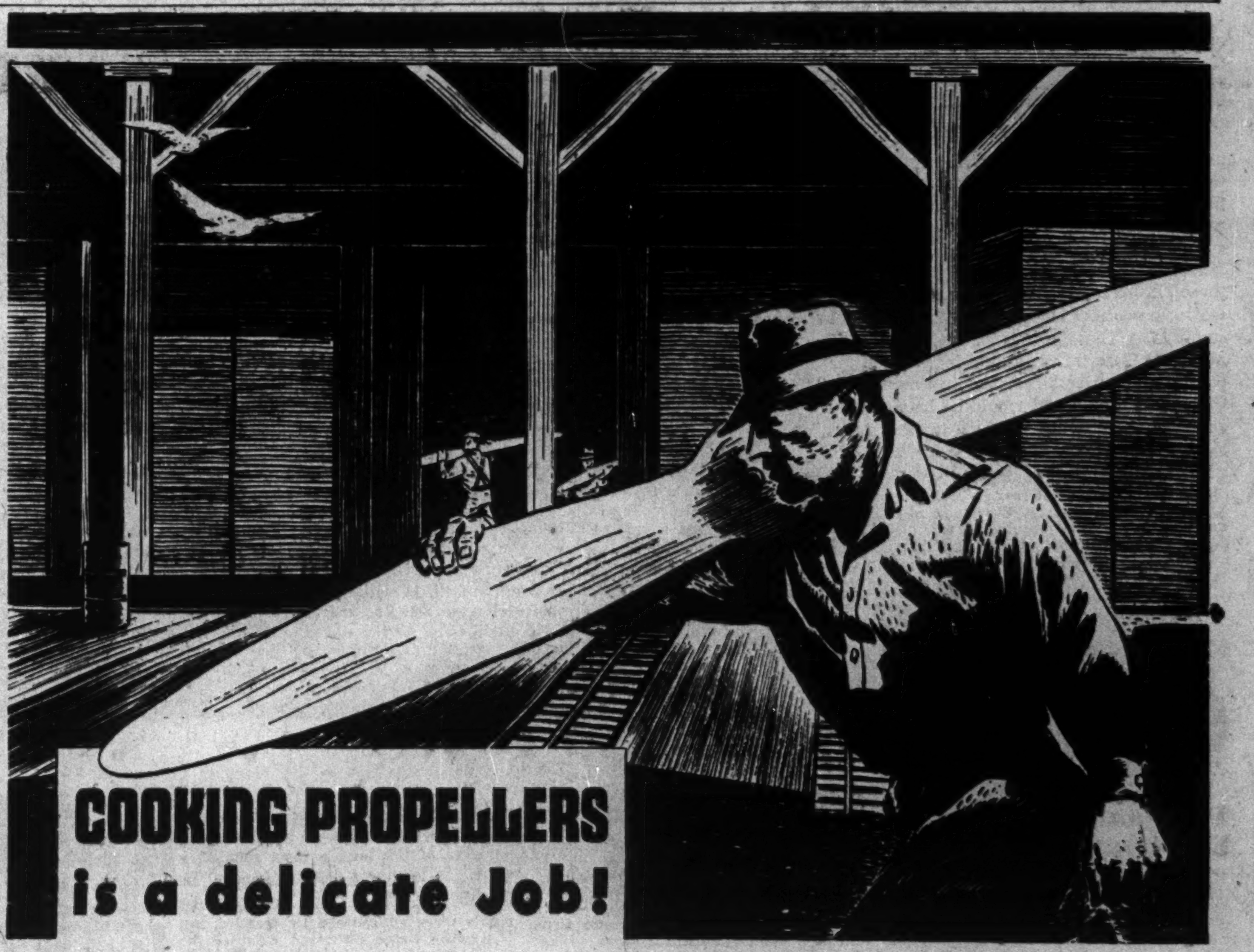
Power Corp. Group Reports August Gain

From Our Own Correspondent

MONTREAL.—Power Corp. of Canada's subsidiary and associated companies report a power output in Aug., 1.17% higher than for the same month last year. The August report shows an increase for all the component companies except Canada Northern Power.

Thousands of KW.H.

	Aug. 1942	Aug. 1941	Change %
B.C. Power	61,086	53,695	+13.7
C.N. Power	52,140	63,152	—17.4
East Kootenay	10,123	9,096	+ 1.2
North. B.C.	1,763	1,353	+30.3
S. Can. Power	20,737	18,781	+10.4
Wpg. Elec.	72,614	68,960	+ 5.3
Total	218,463	215,937	+ 1.2



LAMINATED Canadian birch makes ideal propellers for R.C.A.F. trainers . . . but it must be cooked. No wedding cake ever had more careful cooking. No menu ever depended so much on the cooking for maintenance of its delicate balance and lines.

Selected birch planks are tested for strength, shaped, and laminated under pressure for two days. The lamination is then roughly shaped and balanced . . . and it is ready for the all-important cooking. It must be stored for one week under accurately controlled temperature and humidity. This reduces danger of warping, and provides a uniform base for the precision finishing that follows.

Minneapolis-Honeywell controls hold the temperature and humidity within the narrow prescribed limits. Brown Industrial Instruments keep a continuous written record of the actual temperature and humidity. Together, they help to "prop" the wings of victory.

Does your business require accurate control of temperature, humidity, or the flow of liquids or gases? If so, Brown Industrial Instruments can solve your problems. Ask us for the booklet, "Instruments from the Executive Viewpoint", sent free on request and without obligation. Send your request today to: Minneapolis-Honeywell Regulator Company Limited, 117 Peter Street, Toronto. Branches: Montreal, Winnipeg, Calgary.

BROWN INSTRUMENT COMPANY
a division of . .

MINNEAPOLIS-HONEYWELL
Regulator Company Limited

The Editorial Page . .

No Enemy Comfort Here

There was a significant and refreshing change in the type of war production figures announced by Harry Carmichael last week. Instead of percentages, which often are practically meaningless, and which may even obscure the real facts the Co-ordinator of Production in the Department of Munitions and Supply gave Canadians the actual output in dollars as compared with last year. The total was more than double the substantial production of a year ago and in key lines like ships, aircraft, complete munitions ready to fire and instruments and communication equipment, the gain was very much more.

During the first year of the war when Canada, Britain and our other allies were woefully weak in the sinews of war, there was perhaps some excuse for disguising our puny output under the guise of percentage gain. There was some hope that the enemy would be more impressed by the statement that we had increased our production of say, tanks, by 100% than if we had come right out and said that we had built two machines this year as against one the year before. But we don't need to use that sort of camouflage now.

The kind of figures that Harry Carmichael disclosed last week will offer no comfort to the Nazis; in fact they will have exactly the opposite effect, and they will prove immensely stimulating to Canadians and other citizens of the United Nations.

Now that we are really getting somewhere in war production, we and our enemies should hear more about it. Eventually the people of Germany and Japan must realize that they cannot hope to keep up with North American mass production. When that day comes—and the Carmichael figures will hasten it—German morale will crack, just as it cracked with startling rapidity in the late summer of 1918.

Mr. Vining Please Note

Elmer Davis, head of the U. S. Office of War Information, has ordered the elimination of almost 250 official pamphlets, bulletins, handbooks, etc., and the curtailment of many more. This is a move which Charles Vining, recently appointed to handle a similar bureau in Canada, might well consider.

Like Washington, the Dominion Government has sponsored the publication of a wide range of official literature. These run all the way from single multigraph sheets dealing with some small phase of farming or housekeeping, to expensive and bulky blue books.

Some of these are important and undoubtedly should be continued, but a great many of them simply use up valuable white paper, clutter the mails, and soon find their way into the wastepaper basket. Even in peace time, their real worth was sometimes dubious. Now when every bit of spare labor and material is needed for the war effort, we simply cannot afford this sort of thing.

Moreover, much of this information that Ottawa tries to distribute through the mails in bulletin and pamphlet form would reach a larger audience more promptly and much more cheaply, if submitted directly to existing and established publications.

Our Debt to "Luxuries"

In a powerful bit of writing the other day, Columnist Dorothy Thompson argued that the people of this continent had been made soft by an exaggerated standard of living. "We have been systematically taught," she says, "to believe that luxuries are necessities, and for the procuring of these luxuries, which we call a standard of living, we have sacrificed the standards of life." In this stand Miss Thompson is strongly backed by the Montreal Gazette, which has long called for more drastic civilian sacrifice, and has maintained that Canadians should and would be better for sharply reducing their living standard in the interest of a greater war effort. Says the Gazette:

> "The simple truth is that we have been pursuing false gods, the gods of easy living, of ample services, of labor-saving devices. We have had to have things handed to us. And now, when war has come, when even our safety is threatened, our liberties are in the balance, we are still soft, we still cling to the comforts that we came to regard as necessary to our lives."

As to the necessity of shrinking our standard of living to practically any extent in order to win the war, there can be no valid argument against it. If we lose this fight, then all our little luxuries and a great many of our necessities are gone anyway.

The implication of both The Gazette and Miss Thompson that we would be permanently better off without these things, however, is another matter entirely. Perhaps in our prewar economy we did overstress conveniences and luxuries and for our own good in this war it might have been better had we concentrated more on current history and less on current models. But advocates of the simpler life should not overlook the fact that it was the mass production and sale of many of these so-called conveniences and luxuries that gave us the foundation of the greatest industrial war plant in the world. Our job now, and we are accomplishing it, is to turn this production and the inventive genius and energy behind it into a machine that will overwhelm the imitators in Europe and Asia. Thus only can we restore a world where all can work and enjoy a real standard of living which temporarily we are forced to abandon.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and manpower, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme for postwar Canada, providing for fullest possible employment and improving social standards, through free competitive enterprise.*

Pay-as-earned Income Tax

Under our present system of income taxation, the average Canadian cannot afford to die nor can he afford to retire. Right now, every Canadian with a taxable income is in debt to the government. He always is. Even if all his taxes were paid up to the end of 1941, he still owes on his earnings for the first eight months of this year.

Under our method of taxation we always pay on income already received and after most of it is spent. Thus, when a man dies he is always in debt for unpaid income taxes. If he retires on half-pay or quarter-pay, his first problem is paying tax debts on his full salary out of his reduced salary or out of capital. A man with a moderate income who joins the armed services immediately faces the same problem—paying tax debts out of a salary never intended to carry such a burden.

Widespread discussion of this situation has resulted from the proposals of Beardsley Ruml, treasurer of the New York department store, R. H. Macy & Co.

He argues that the government should, for greater efficiency in tax collection and for simple justice for citizens, move ahead by one year the period for which present tax payments would be credited. Under his plan, Canadians, under the monthly deduction scheme would be paying 1942-3 income taxes, not taxes for 1941-2.

Under the existing system, he argues that the government will never catch up on income tax payments and that the readjustment involves nothing more than a hypothetical bookkeeping loss.

The taxpayer is treated more fairly, he says, because he is always paying tax on the income he has—rather than on what he had.

Editorials in Brief

North America's wild duck population has increased from 27 millions in 1934 to 97 millions this summer, according to the Winnipeg Tribune. Now we don't doubt these figures for a minute and rejoice with our western contemporary that game losses of the great drought years have been made good, but we do wonder how they counted them.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

First Step is War Relief

From a speech by Rt. Hon. Viscount Cranborne, secretary of State for the Colonies, in the House of Lords.

The first step in reconstruction is what may be called relief. At the end of the last war no preparation had been made in advance to meet the needs of the war-stricken countries; and it was not, I think, until January, 1919, that a relief organization was set up; and although in fact it distributed a very substantial volume of relief supplies, mainly from the United States, many of you will remember the widespread economic dislocation and the tragic amount of human suffering, especially in Central and Eastern Europe, which could not adequately be dealt with.

This time the areas devastated by the war will be far greater, and the problem of postwar relief will be correspondingly vaster. The greater part of Europe will emerge from the war denuded of stocks of food as well as of raw materials, and with few financial resources. Not only must food be provided in order to prevent starvation, but agriculture and industry must be revived, so that the peoples of each country may, as soon as possible, be able to support themselves.

Unless steps can be taken rapidly to ensure supplies to the necessitous areas, a process of disintegration may set in which will create further dangers and political strain.

Nor will this problem be confined to Europe. It may be equally necessary to provide relief for countries in the Near East and in the Far East.

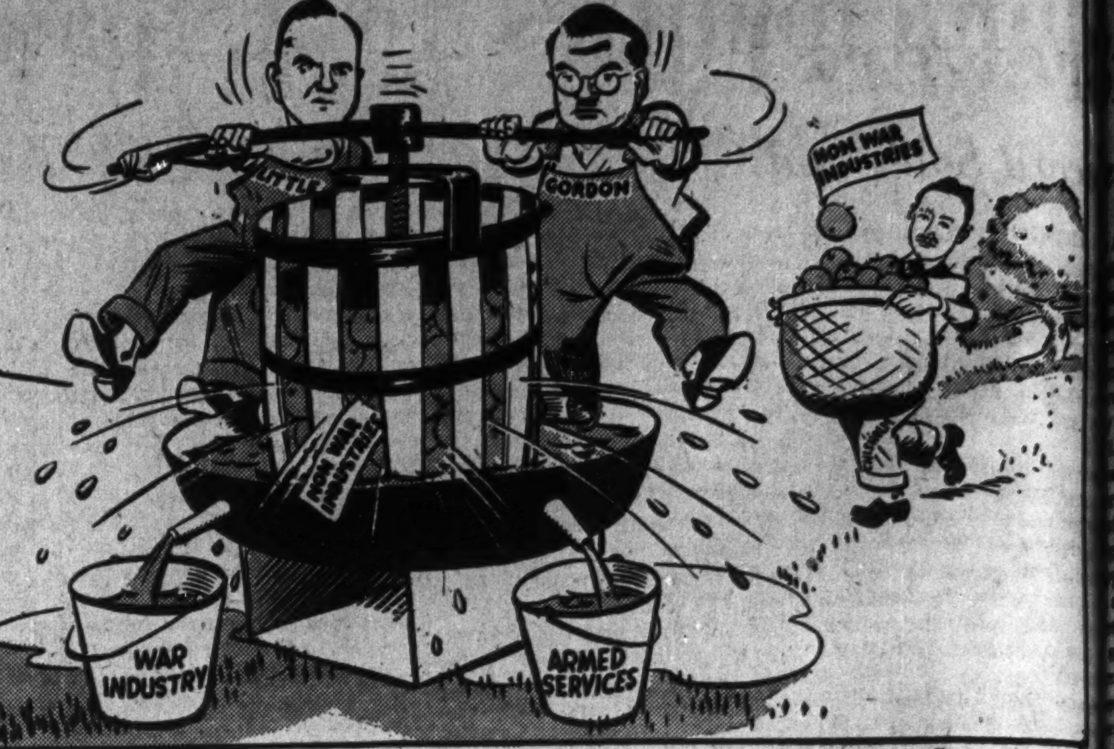
We took the initiative of convening a meeting of Allied Governments at St. James's Palace in September, 1941. There it was decided that supplies of food, raw materials and articles of prime necessity should be made available for the postwar needs of the liberated countries. Various technical problems have arisen which are the subject of general discussion, and a committee on which agricultural experts sit under the chairmanship of Sir John Russell, is making the survey of postwar agricultural requirements such as the produce of the special qualities of seed required and the position of livestock, agricultural machinery and fertilizers. Experts from the United States as well as the Dominions are collaborating in this work. Estimates of requirements, having been ascertained, the next step will be to organize the provision of supplies.

It was expected that in many parts of the world there would be excessive production which could not be absorbed during the war and would be available for postwar requirements. That applied to such foodstuffs as wheat and maize and coffee and also the supplies of some raw materials, particularly cotton and wool which would also be adequate to meet all demands, so that it might be possible to organize the supply of some of the most important primary commodities.

In the case of other commodities, however, the extension of the war to the Far East has resulted in available supplies being fully absorbed by the war requirements of the United Nations. Therefore, there is no longer a question of laying up stocks of these commodities and making them available, and arrangements will be needed to co-ordinate world production and allocate it according to need, as happens with all commodities with regard to which there is a shortage.

If the extension of the war has aggravated the problem of securing supplies, it has also brought about a new alliance of the free nations. The problem of postwar relief is no longer the concern merely of the Allied Nations. It is a world-wide problem which can be dealt with only by concerted action between the United Nations.

In the immediate postwar period it is reasonable to expect that shortage of supplies and transport difficulties will continue, and measures to prevent inflation will be as necessary or even more necessary than during the continuance of the war. War-time measures, such as rationing and control and guidance of investments, must remain national needs and will necessarily continue for some time. Willingness to make sacrifices for the general good will be as important in the postwar period as in the war period.



Cartoon by Grass

CIDER TIME—OR PUTTING ON THE SQUEEZE

Post-Scripts . . . .

He Will Ration Shelter

Russel Sutherland Smart, K.C., who has just been given the job of making sure that every Canadian has a roof over his head, has been a prominent Ottawa lawyer for more than 30 years. As Administrator of Real Property, he will be responsible for rationing housing in congested areas if the present voluntary efforts to solve this problem prove impractical. For his important new task, Mr. Smart has many qualifications. Apart from the fact that he is a citizen of high standing in his own community, he has through the connections of his law practice a good acquaintanceship with all the important centres in Canada, is a competent administrator and will approach his new duties with considerable special knowledge of the housing problem.

MR. SMART

Born in Winnipeg in 1885, Russel Smart was taken as an infant to Toronto, where he grew up, received his early education at local schools and had the late Sir Joseph Flavelle as his Sunday-school teacher. Proceeding to the University of Toronto he graduated from the School of Practical Science with distinction in 1904 and he later supplemented his education by acquiring a B.A. degree from Queen's in 1907.

In between times he had found employment with Fetherstonhaugh and Co. the well known firm of patent solicitors. When only 19, he was placed in charge of the Ottawa branch, where he found such a congenial and profitable sphere of activity for his talents that he has remained ever since. To combine the practice of patent law in Ottawa with studies which secured a degree at Queen's in the years 1904-07 required the possession of remarkable powers of industry.

These powers and his special training as a scientist proved invaluable assets for success in his chosen vocation and before he was thirty Smart was recognized as one of the ablest patent lawyers in Canada. He also qualified himself for general legal practice by securing admission to the Bar of Ontario and was created a K.C. in 1912. In 1927 he formed a partnership with Colonel O. M. Biggar, K.C., who is now Chief Censor and a member of the Joint American-Canadian Committee on Defense. The firm of Smart and Bigger has today a large general law practice and Smart has also secured control of the whole business of Fetherstonhaugh and Co., which has offices in every important city.

Mr. Smart himself still specializes in this branch of jurisprudence and there is probably no greater authority upon radio patents on the continent. He numbers among his clients a long roster of the most important corporations in the United States as well as Canada. Other briefs have taken him far afield to European countries like Sweden and Germany, while he also crossed the Atlantic scores of times to appear before the Privy Council and conduct negotiations in Britain for clients. From these contacts he has built up a wide circle of friends in Britain and has long been on terms of intimacy with Sir Stafford Cripps, another specialist in patent law when he was at the Bar.

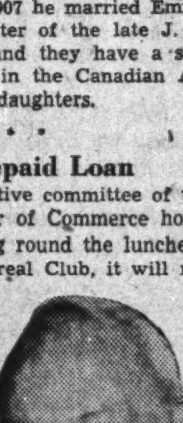
In private life Russel Smart is a most companionable and pleasant man, widely read and well informed upon a variety of subjects outside his professional interests.

Now in his later fifties with his hair turned grey, he has abated his earlier enthusiasms for golf and tennis, long his favorite forms of diversion but he is still an ardent devotee of the bridge table. No man in Ottawa has been more given to generous hospitalities and there are literally hundreds of people, who have very pleasant memories of entertainment at his summer home at Kingsmere in the Gatineau Hills where he is a near neighbor of Prime Minister Mackenzie King. In 1907 he married Emma Louise, the daughter of the late J. A. Parr of Ottawa, and they have a son, now a lieutenant in the Canadian Artillery, and three daughters.

* * *

An Unrepaid Loan

When the executive committee of the Canadian Chamber of Commerce holds its weekly meeting round the luncheon table in the Montreal Club, it will not be hard to get the senior officers together for the next 12 months. Both the president and the chairman of the executive committee as elected to office last week are Montrealers. Both have long been associated with Chamber activities. Mr. Jellett, the new president, is one of the few men who have held both the board chairmanship and the presidential chair.



MR. JELLETT

Mr. Jellett is one of a small group of men (there are only a few of them still in active service) who were loaned to the Royal Trust Company by the Bank of Montreal in the early days of the Royal's career. "Bob" Jellett has a standing joke with his friends to the effect that this was one loan which the bank did not want to have repaid. Jellett had joined the Bank of Montreal as a junior at Brantford in 1898, the year the Royal Trust was organized. After two years with the bank at Brantford, two years at Toronto, he reported to head office in Montreal in 1902. He was told to report for work with the Royal Trust. Ten years later he was made assistant general manager and superintendent of branches; in 1928, general manager and in November, 1939, vice-president, director and member of the executive committee.

Mr. Jellett believes the Chamber should not attempt to "dilute" its representation, or try to include representatives from professional, agricultural or labor interests. He believes the Chamber should "stick to its knitting" which means, in his view, the representation of business and commercial interests in respe national affairs.

The Jellett family came originally f Picton. R. P. Jellett's father was a ju After attending Trinity College Sc Bob Jellett worked first for a broke firm (Samson McCuaig & Co.) at ronto, prior to joining the Bank of M real at Brantford. He was 17 then. H 61 now.

* * *

Raised With the 'Phon

The new chairman of the Chamber ecutive, Paul A. McFarlane, was al born with a telephone in his mouth. father, L. B. McFarlane, was one of the pioneers of the Bell system in Canada, having joined forces with the late C. B. Sise in establishing the original system around which has been built the Bell organization in Canada. McFarlane joined the company as a lad of 18 and his first job was putting up poles with a construction gang at Massawippi, North Hatley, P.Q. friends say those are the crooked you see along the road, but he k better. He has now spent over 3 of his life with the company h moved through the plant, engine and operating departments till he a ed the general managership of the pany in 1935.

MR. McFARLA
—William Notman &

Five years later he became vice- dent in charge of operations and in uary, 1939, a director of the company was one of the main projectors of Trans-Canada Telephone System.

The operating properties for w Mr. McFarlane is responsible now in some 950,000 telephones—an increa almost 20% over the 800,000 that in operation prior to the outbre war. Long distance traffic in that has increased 110%. The problem n to "ration" telephone service so a maintain essential wartime service use the minimum of critical mat and supplies. This gives a new and portant twist to Mr. McFarlane's peacetime job of appraising the tre industrial and population growth, a keeping Bell service and constructi to snuff. Mr. McFarlane is one of three chief executives of the com reporting directly to C. F. Sise, pres and chairman.

Born and bred in Montreal, Paul Farlane is 56 years old and actively sociated with many important civic community welfare projects. He is p dent of the Grace Dart Home for C sumptives; chairman of the Auxil Aid Association (Bell employees wa service work organization); vice-p dent of the Board of Trade. In 194 was president of the Canadian Clu Montreal. He has also served as ch man of the Federated Charities' C paign and joint chairman of the Vic Loan Drive.

At the Seigniory Club last week was chairman of the programme c mittee. This meant not only top-n performance, but a programme ru split-second schedule and with the ciency and co-ordination that makes Bell Telephone exemplary in its pa ular field.

* * *

Stop Me If . . .

Said the German to the Swiss: " come you have an Admiral? You no coastline, no navy, no empire."

The Swiss replied: "Well, you Germany have a Minister of Ju don't you?"

Other People's Views . . . .

The Canadian Editorial of the Week

More Drastic Action Needed

Regina Leader-Post

For months in Canada the general public has been told of the approaching manpower crisis. There have been hints, and statements, that non-essential industry was to be curbed, that men and materials so released would be directed into the services or into war industry. But so far nothing very drastic has been done, certainly nothing definite enough to meet the situation effectively. There seems to have been too much timidity on the part of the authorities in asking the Canadian people to assume additional burdens. If the feelings of the latter be judged aright, they are ready and willing to make greater sacrifices still if only the war can be won.

What must be done is clear. The flow of normal, peacetime goods to the civilian must be restricted to a necessary minimum, thus releasing manpower and materials for the all-important task of producing war goods. This is a thing which has had to be done in the Axis countries and in Britain. Canada is in this war as much as these other nations, and there is no justifiable reason for further delay.

* * *

The Mail-box

For a United Canada

Editor, The Financial Post:

I have read with interest, in your Sept. 26 issue, various opinions regarding "How to Unite French and English Canada." I shall first congratulate you most sincerely for this excellent effort towards a more equitable understanding of the two principal ethnic groups of this Dominion.

I am a French Canadian life underwriter, being in contact every day with people of all nationalities and creeds. I represent in Montreal, a Toronto firm, and this should inform you as to my attitude towards the subject. Widows and orphans, French or English, need the very same claim cheque to replace in part the breadwinner's income. More justice in the relations between individuals appear to be the problem of the day, this is why I refer to a way to achieve to unity where both individually and collectively a corrected mental attitude will have to take place.

For over 3 years all over the world, men are being murdered by millions, fortunes sunk into the sea or sprayed in mid air, in order to preserve this form of freedom which we call Democracy. There is your answer: French and English Canada Can be United if They Would Only Be Truly and Honestly Democratic. Both elements will have to submit themselves to a very simple psychological process. They will have first to want unity, and secondly they will have to discard all historical prejudices along with all superiority concepts and complexes. This is calling for a bilateral effort where everyone will readily admit his sins and willingly endeavor to amend.

Let us hope to see soon English descent and English born claiming Canadian citizenship, forgetting the dominating race concept and adopting this land as their only land to cherish and defend. Let us hope also that very soon the French descent will be given the opportunity to find themselves justified to drop historical prejudices. It is most unfortunate that history made the French element people of a conquered land. However, they were acknowledged pioneers of the land and as such they were granted their freedom, under the British flag. Their racial and religious rights were guaranteed by treaties, but it remains to be discussed whether the true democratic mental attitude of the treaties has been adopted by the English speaking elements which gradually developed themselves alongside the French culture. Much of the harm, has been done unconsciously, but it has been done and has developed into the bad weed we have to eradicate from our economic relations. Let both English or French, each in the exercise of their individual or collective rights, lay aside their prejudices in an honest effort towards a true democratic mental attitude and automatically national unity shall be realized.

To understand is to sympathize. To sympathize is to co-operate. And to co-operate is to succeed. Let us drop all racial and individual competition and replace them by just a few honest democratic slogans and we shall live in such a different world.

L. P. BOISVERT,

Montreal.

* * *

As Others See Us . . .

Wriggling Out of Debt

Prince Rupert Empire

The Saskatchewan Wheat Pool, in so many words, recommend that farmers should not worry too greatly about the adjustment of their debts. They should not, it seems, be too optimistic as to the proportion of what they can pay.

This attitude, as The Financial Post points out, is unsound. It is weakening the whole set up of what we think of as just plain, ordinary, everyday honesty. No one is so poor that if given health, strength and time he cannot eventually meet his obligations.

A just debt is a just debt, and to wriggle and twist and to try to obscure and confuse or try to make it appear something else, will not change it in the slightest degree.

* * *

Why No Cattle Embargo?

Stouffville (Ont.) Tribune

Gordon L. Smith, writing in The Financial Post, gives the explanation as to why cattle are permitted to be shipped to the U. S. A. when the local housewife has to go short on beef. The information is sound, and should be understood by not only the farmer but by the housewives of Canada. He says in his column "The Business of Farming":

"The American farmer, especially in the great midwestern feeder states, regards this import of Canadian cattle as little short of a menace. He would probably be delighted to see this trade stopped, and if the Canadian Government itself did the job, he would have the strongest sort of argument for keeping it stopped after the war when Dominion beef raisers will again need every possible export for their product."

* * *

We Can Take It

Port Hope Guide

This week's Financial Post carries a number of opinions by newspaper men, advertising agents and businessmen upon whether or not complete casualties lists should be published. There are good arguments advanced on both sides; some urging full, and immediate, publication, and others strongly advocating that no lists be published.

There are three factors: morale, information and example. Will morale suffer if we see long columns of names of dead, wounded or missing? Is this information really wanted and needed and will it help the enemy? Does the fact that so many fellow-Canadians have paid the supreme sacrifice, or been wounded, or taken prisoner or are missing spur us to greater effort? These are questions that are hard to answer.

But whatever the answer as to details we should know the price that we are paying for our freedom. We should not have losses glossed over. We can take it. Let us know the worst so that we may do our utter best.

* * *

Flattery

Advertiser-Topic (Petrolia, Ont.)

It is now a practical impossibility for a Canadian to become a millionaire, says The Financial Post. The Post thus admits it has lost out.

* * *

Sayings of the Week

"You have not the same choice but you can still purchase quality products in price ranges to suit your pocketbook."—*H. H. Foreman, W. P. T. B. Administrator of fabricating steel and non-ferrous metals.*

* * *

"We've got to win this war. We are not winning yet. We have not up to now been able to match the force of our enemies with equal force. And we won't be able to do it until all of our people in the United States and Canada forget their own personal, petty and immediate interests for the duration and devote all their strength, all their resources, all their hearts and souls to the cause of victory." — *William Green, president American Federation of Labor, to a Toronto audience this week.*

* * *

"We cannot tolerate this situation (shortages of help in war production) as long as any labor is being used for other than really essential purposes."—*Honorable J. L. Ilsley, Minister of Finance.*

* * *

"We cannot close our eyes to the possibility of some plants having to fold up."—*Donald Gordon, Chairman, Wartime Prices and Trade Board.*

* * *

"Victory over the Nazis is not three to five years away, as some people in high positions suggest, but much nearer if the allies display ordinary military capacity." — *W. R. Plewman, Toronto Daily Star in his column, The War Reviewed.*

The Financial Pos
Member Audit Bureau of Circulatio
A weekly newspaper, presenting i popular manner reliable informa respecting investments, business a national affairs in Canada.
DOUGLAS M. GOWDY, Manager
RONALD A. McEACHERN, Editor
Published by
The MacLean Publishing Co., Lim
481 University Avenue, Toronto 2
JOHN BAYNE MACLEAN, Founder Chairman.
HORACE T. HUNTER, President.
FLOYD S. CHALMERS, Executive president.
B. G. NEWTON, Vice-president.
Subscription Terms: Single copies, 10 Yearly, in Canada, United States, Mexico British Empire, $5; all other countri
Advertising Rates: Single insertion $4.2 inch. Contract terms upon request.
Montreal: Dominion Square Building, M R. Chipman, Eastern Manager; John E. L don, Eastern Editor.
Ottawa: 260 Irving Ave. (Tel. 8-0847); K R. Wilson, Resident Correspondent.
New York: 522 Fifth Ave.
Chicago: 309 West Jackson Blvd.
London, England: Quadrant House, 55 Mall, S.W.1.

rewers Face Uncertain Future

cord Sales and Good Earnings Reported Since War Started

ARTHUR D. ELLWOOD

ion of all producers of and beers was highlighted ada when the Dominion ment announced complete ion of all distilleries to duction of alcohol for in- and munitions beginning

ers were not included in der but there has been a tion that some steps to cur- erations of brewers may . If this occurs it will not war production measure. s cannot produce indus- alcohol without additional ent.

ems doubtful if drastic in- ce with brewing in Can- ll be announced. Unlike , beer does not have to be for years to age before mption. The result is that normal conditions a brew- ld probably not have more three or four months' on hand.

, while whiskies in storage robably be sufficient to last ian drinkers for several beer drinkers would find lves with none of their te beverage within a few

article is not intended to discussion of the pros and of prohibition or measures trol the liquor industry. It nded instead to review the of the brewing industry the investment standpoint robably no single factor is as much concern to in- as is that same question rictions and control.

Labor Problems

rdly seems likely that will obtain a very high priority rating from the manpower standpoint but it might also be remembered that authorities considered beer of sufficient importance to require Canadian brewers to ship large supplies to the middle east for use by the armed forces. It might easily be labor shortage which would automatically force some curtailment although the brewing industry is a relatively low user of manpower, the whole industry employing only 5,932 persons in 1941.

Last year was a good one for brewers from the standpoint of volume. Breweries produced goods having a selling value at the plant of $97.8 millions, of which $34.5 millions, or a little over a third, was paid to the government in sales and excise taxes and duties. By volume, production of beer, ale, stout and porter in 1941 totalled 90.2 million gals. against 72.4 million gals. in 1940. Indicative of the volume of export orders is the fact that production in bottles rose from 41.2 million gals. to 57.3 million gals. while beer in barrels only went up from 31.2 million gals. to 32.9 million gals.

Transport and Supplies

Problems immediately before the brewing industry appear to be mainly those resulting from transportation and certain supplies such as bottles and caps. Most of their materials are obtained in Canada with barley malt the largest single item. On the other hand one third of the hops used last year were imported.

Transportation difficulties such as shortages of trucks, tires and gasoline, forced introduction of a zoning system in Ontario and Quebec this year whereby individual breweries are confined to specified areas. It does not appear that this has caused much trouble as yet. One large brewing company states it has reduced its gasoline consumption 30% since deliveries were cut down. In the City of Toronto this company's mileage in July declined from 4,500 to 1,600. It has so zoned its delivery system that no truck ventures more than 100 miles from its home plant.

May Limit Sale

Indications at present are that restrictions will be placed on the brewing industry through such measures as limiting hours of sale in the provinces where sale by the glass is permitted and prohibiting all advertising. How serious this will be in its effect on sales and earnings cannot be estimated at this time.

It is nothing new for brewers to be faced with a problem involving their relations with the public. Right now the Brewers Industrial Foundation of Canada is publishing a series of leaflets presenting their side of the controversy as regards further restrictions on production and sales of alcoholic beverages.

The fact that this condition has existed for a long time probably plays a part in determining investor attitude to shares of brewing companies. It has manifested itself in a higher than average yield being customarily obtainable from brewing company shares than for many other concerns in a similar financial and earnings position. This has been true even for companies with established dividend paying records.

Associated Breweries of Canada operates five breweries in Alberta, Saskatchewan and British Columbia. It has been able to report successive increases in recent years and in 1941 net available for the common at $2.28 a share was higher than in any year since 1929. This company has a record of regular payment of dividends at the full 7% rate on its preferred since it was issued in 1928. Payments on the common have also been made each year although at varying rates.

Brewers & Distillers of Vancouver now confines its interests entirely to the brewing business. It sold its two distilleries, one in British Columbia and the other in Ontario, last year to Distillers Corp.-Seagrams. It is pointed out that dividends on the shares received bring more net income to the company than it had been realizing from its own operations of these plants. This company has only one class of common stock outstanding and has paid dividends each year since 1936.

Canada Malting Co. last year achieved a new high record for sales volume and early reports suggested another satisfactory year was in prospect for 1942. This company has a record of uninterrupted dividend payments going back to 1928 and has built up a strong financial and earnings position. It is not directly engaged in the brewing industry but makes malt which is sold almost entirely to brewers and distillers.

Canada Bud Breweries Ltd. is a subsidiary of Canadian Breweries but there is also public interest in its shares. It has made a specialty of bottled beer and has been quite active in export markets. Its dividend record shows payments made each year since 1931 with 40 cents a share paid in each of the last three years.

Canadian Breweries Ltd. as now constituted represents an amalgamation of a number of Ontario breweries. Over a period of years, various units have been closed and production concentrated in more profitable units and brands. The result has been a fairly steady improvement in earnings until this year a plan for eliminating preference arrears and making other adjustments was adopted by shareholders. Interim reports for the nine months ended July 31 this year show net profits equivalent to $2.88 a share on the preference compared with $2.34 a share for the corresponding portion of the previous year. New dividend rate on the preference is $3.40 a share.

Coast Breweries Ltd. is a holding company for four British Columbia breweries. It also has an interest, through Capital Estates Inc., in two American breweries. Annual report for the year ended June 30 last is not yet available but earnings have been very stable in recent years at around 15 cents a share with dividends of 12 cents a share being paid.

National Breweries Ltd. is one of the largest companies in the brewing business in Canada with its principal markets in Quebec. It is also interested in export markets and does a substantial trade in Ontario. This company has a long record of good earnings and dividend payments and has built up a strong financial position.

Walkerville Brewery Ltd. is one of the smaller independent brewers with its plant at Windsor, Ont. It has reported sales increases in recent years and expects 1942 to show further gains. Public interest in the company is relatively small. Its initial dividend payment was made in 1938 with five cents a share paid in 1939 and in 1940 and 1941.

Western Breweries Ltd. is a holding company for a group of breweries and soft drink makers marketing their product in Manitoba and Saskatchewan. In 1941 it initiated dividend payments with 10 cents a share and has made two more 10 cent payments this year.

Blue Top Brewing Co., operating a brewery and ice-making plant at Kitchener, Ont. A few years ago it was reorganized and its name changed. Since then it has shown a record of growing earnings. In 1939, it initiated dividends at a 60-cent rate on its class A shares.

AUTOMATIC HEATING ~~OIL~~ coal WITH ~~OIL~~

A Fairbanks-Morse Coal Stoker satisfactorily solves the problem raised by the Government's conservation program, which prohibits the use of oil and gas for commercial and industrial heating purposes.

This rugged, efficient stoker burns cheaper Canadian coal, and less of it than with the best hand firing, thereby conserving foreign exchange and freeing valuable transportation space for war materials.

In most cases a Fairbanks-Morse Stoker can be installed in the existing furnace in a few hours. Call us for details right away.

Fairbanks-Morse Stokers are made in capacities from 50 to 500 lbs. of coal per hour.

THE CANADIAN FAIRBANKS-MORSE COMPANY, LIMITED
Factory - Sherbrooke, Que.
Saint John Montreal Toronto Winnipeg Vancouver

MADE IN CANADA

FAIRBANKS-MORSE AUTOMATIC COAL STOKER

he Week in Business

tember's cost of living index shows a fractional decline from Aug. 1, the Dominion Bureau of Statistics reports. According Bureau, the decline reflects lower prices for potatoes, beef, nd onions. Meat and lamb prices officially came down under e Prices & Trade Board rulings. The decline in the living dex for Sept. 1 was 0.3 to 117.4 as compared with 117.7 at Aug. 1. ureau points out that cost of living index does not include new imposed on tobacco and cigarettes.

Retail sales index for August at 162.2 compares with 150.4 for July and 146.5 a year ago. Country store sales show a gain of 10% over a year ago which in turn was up 11.3%.

Cash and cheque payments index, reflecting bank debits as well as payments in cash for goods, shows a decline in August to 138.6 from 146.7 in July but is still far above August, 1941, when the index stood at 120.1. Index of bank debits has risen over the year by a somewhat smaller proportion than has the combined index.

Sea fisheries statistics illustrate higher prices for landed catch. Quantity is down for August from 1,794,800 cwts. to 1,378,400 cwts. and for the year to date is down about 200,000 cwts., or 2.8%. Value of catch, however, is $100,000 higher in August and up $1.7 million, or 9.4% for the year.

Electric power output in August rose to a new peak for the month. For the first eight months of this year, the total output is 16.8% higher than a year ago.

Money supply, that is cash and coin in circulation plus bank deposits has been rising steadily for months. August figures show a gain of $270 millions over the same month a year ago.

	Sept.	Aug.	July	June	Year Ago
nancial Post business index	....	*165.0	163.6	165.7	162.5
ar expend. (million $)....	....	173.4	190.4	138.3	98.9
total revenue (do.)	....	164.2	121.8	115.4	106.6
total expend. (do.)	....	301.3	350.8	423.6	124.1
sales index no.	....	162.2	150.4	150.9	146.5
store sales index no.	....	151.6	145.4	134.0	146.1
ale sales index no.	....	....	154.2	167.5	147.1
y store (% change pr. yr.)	....	+10.0	+10.6	+14.6	+11.3
payment index‡	123.5	123.5	122.6	121.8	118.7
deposits (1926=100)	....	163.0	160.3	160.1	157.9
and cheque pay. index	....	138.6	146.7	148.8	120.1
debits (1935-39=100)	....	136.0	133.0	127.7	123.1
y supply (c)	....	3,772	3,686	3,675	3,506
RINT % OF CAPACITY—					
ction ratios	....	68.4	65.2	65.6	80.2
ent ratios	....	69.0	65.8	68.4	81.3
AY FREIGHT LOADINGS—					
....	....	163.0	176.5	188.1	161.5
....	....	129.6	148.1	141.4	128.0
OF LIVING—					
index	117.4	117.7	117.9	116.7	114.7
YMENT INDEX Nos. D.B.S.—					
dustries	....	....	175.7	171.7	157.4
facturing	....	....	209.5	205.9	172.4
l (June 1/41=100) (b)	....	....	130.0	125.5	103.9
ll index (a) (1937=100)....	....	201	204	201	173

	1942	1941	Jan. 1 to date 1942	Jan. 1 to date 1941	% Change
AYS—					
dings (week Sept. 26)	67,833	68,662	2,490,190	2,332,080	+6.7
gross (week Sept. 21) $	8,248,000	6,350,000	260,362,000	212,380,000	+22.6
gross (week Sept. 30) $	7,039,000	6,026,000	187,126,000	158,457,000	+18.1
net revenue (Aug.) $	8,177,659	5,171,732	53,928,676	42,196,254	+27.8
net revenue (Aug.) $	3,220,030	3,146,005	28,436,564	26,261,119	+8.2
ND STEEL—(August)—					
on production (tons)	162,378	118,490	1,308,731	862,793	+51.7
production .. (tons)	248,868	227,075	2,064,666	1,734,216	+19.0
RUCTION—					
acts awarded (Sept.) $	29,675,100	39,363,800	228,486,900	322,909,100	—29.2
g permits ... (Aug.) $	8,159,508	12,852,381	70,072,454	89,464,236	—21.6
nt prod., bbls. (July)	1,247,933	943,898	4,717,109	4,295,019	+9.8
ULTURE—					
prod., bbls. .. (Aug.)	1,820,199	1,852,139	13,135,626	13,985,624	—6.0
sales‡ ..... (Aug.)	98,176	110,413	708,029	695,702	+1.7
les‡ .... (Aug.)	331,246	241,833	3,939,989	3,652,587	+7.8
SHERIES—‡					
cwts. .... (Aug.)	1,378,400	1,794,800	6,953,000	7,157,700	—2.8
d value ...... (Aug.) $	5,097,200	4,991,500	19,276,200	17,606,500	+9.4
RINT—					
ction, tons ... (Aug.)	253,239	293,054	2,152,591	2,207,671	—2.4
s, tons .... (Aug.) $	240,139	281,401	1,987,388	2,078,084	—4.3
S AND OILS—					
rod., tons ... (Aug.)	1,457,712	1,404,335	12,397,038	11,080,402	+11.8
oc., fine oz. . (July)	431,435	453,184	2,801,623	2,993,063	—6.3
eum prod.. brl. (July)	869,034	876,845	6,109,072	5,748,814	+6.2
IC POWER OUTPUT—(August)—					
onthly, 1,000 kw h.'s	2,989,675	2,640,084	24,567,714	21,033,614	+16.8
INDUSTRIAL FACTORS—					
prod., pr. ... (July)	2,597,862	2,383,741	19,091,132	17,840,663	+7.0
consump., lb. (Aug.)	15,158,238	14,595,435	131,797,836	130,124,004	+1.3
e cons., No.† (Aug.)	852,493	816,691	6,331,719	5,397,536	+17.3
L—					
debits† ...... (Aug.) $	3,479,745	3,149,791	28,775,585	25,201,597	+14.1
sales† .... (Aug.) $	339,639	83,497	2,584,367	1,768,447	+46.1
urance sales (Aug.) $	39,963,000	29,587,000	323,611,000	261,034,000	+23.9

S. All Canada figure covering 90% of the Canadian total.
evised figures covering N.S., P.E.I., N.B., Que., B.C.
d at yards and plants. †000's omitted.
iled by Nesbitt, Thomson & Co. *Final. (c) 000,000's omitted.
ompiled by Canadian Bank of Commerce. (b) All industries.

On the Record

Fifty-one 10,000-ton cargo ships have been built by the Canadian shipbuilding industry. The output for nine months of this year represents 500,000 deadweight tons of shipping.

Some 13 million cigarettes have been purchased in the past two years for free issuance to Canada's armed forces embarking for overseas; enough cigarettes to last an average smoker 1,450 years.

Three times as many naval and field guns and small arms are being turned out in one month as were produced in all of 1941.

One hundred thousand tons of nails are now being used annually in Canada.

George H. G. Caulton, executive assistant to the Oil Controller, appointed Deputy Oil Controller.

George Davies, supervisor of regional oil control offices appointed executive assistant in charge of gasoline rationing.

Canadian nylon is now being used to make parachutes.

Col. A. L. Bishop, formerly president, Polymer Corp., Ltd., appointed chairman of the board.

R. C. Berkinshaw, formerly chairman, Wartime Industries Control Board, named president, Polymer Corp., Ltd.

Henry Borden, K.C., formerly general counsel of the Dept. of M. & S. succeeds Mr. Berkinshaw as chairman of the Wartime Industries Control Board.

Rev. J. S. Thomson, president University of Saskatchewan, appointed general manager, Canadian Broadcasting Corp.

K. B. Palmer, formerly Assistant General Counsel, appointed General Counsel of the Dept. of M. & S.

Charles Gavsie named Assistant General Counsel, Dept. of M. & S.

Claude Melancon, former associate director of Public Information, appointed special adviser to E. M. Little and Paul Goulet, National Selective Service.

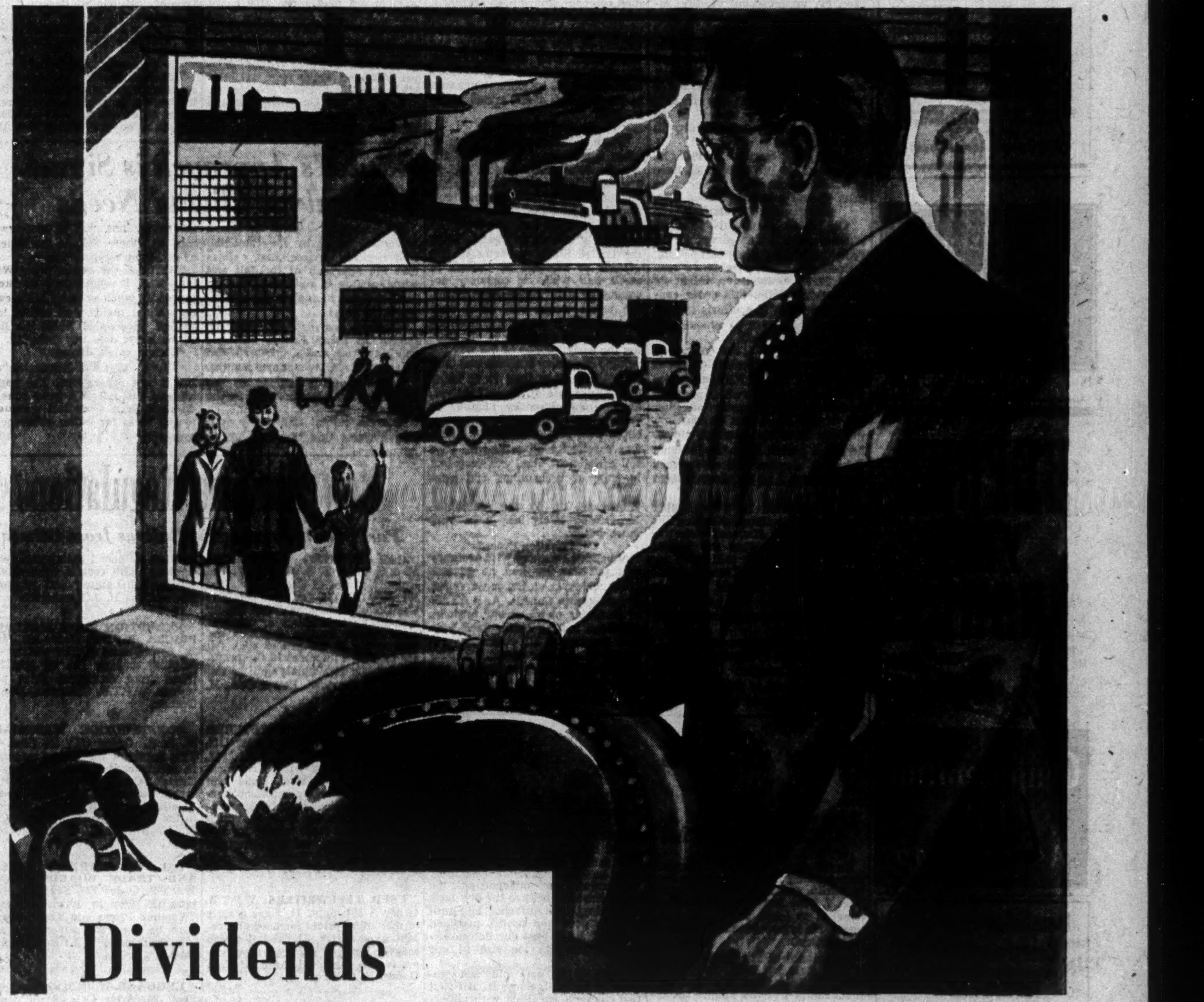
WORTH KNOWING . . .

The farmer today is well worth knowing as a BETTER customer for your essential goods or services.

Talk to him through his own medium — the Family Herald and Weekly Star. Tell your story to 300,000 rural homes, the largest farm-buying, farm-reading audience in Canada.

Let us supply you with facts and figures on Canada's farm market.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA



Dividends of Freedom...

To Insure Their Continuance, We Must Protect Our Investment —This Essential Way

THE DIVIDENDS of freedom are many . . . freedom of speech, of religion, of opportunity . . . freedom from want, from oppression. But these dividends must be earned. They will cease unless we, as Canadians, protect our investment.

The cost of Victory is great. But the cost of defeat would be infinitely greater.

As a straightforward business proposition, we Canadians realize this. But though our heads confirm it, our hearts proclaim it even more forcibly. Our fighting sons, our loved ones at home, our pride in our country, our resolve to pass on the good things we have enjoyed to our children's children . . . these are reasons our hearts will not let us deny.

Soon a new Victory Loan will be announced. None of us can afford to shirk his share in making it a success. It is the ONE investment that protects ALL our other investments.

You will be laying up for yourself the best of all investments. Victory Bonds are backed by all the resources of the Dominion of Canada; they yield a fair rate of interest; you can borrow against them; and they are readilv saleable when you need the cash.

So resolve to find new ways and means of working, saving, and lending for Victory. Remember, all Canada's resources are back of Victory Bonds, the one essential investment for every true Canadian.

NATIONAL WAR FINANCE COMMITTEE

PL37

Explosion Seen as Big War Risk

Interpretation of Sabotage and Blackout Clauses Sought

Insurance agents selling war risk insurance under the government plan report that some large policies are being purchased more from fear of explosions in munitions plants or explosives in transit than from enemy action. The buyers have in mind the damage done at Halifax in 1917 when a shipload of munitions blew up in the harbor.

The damage to property caused in that instance might be duplicated along the highways or railroads, or in some of the munitions plants, some people feel. Large quantities of explosives are being transported daily.

Rulings Sought

Some questions have arisen from the wording of the act, which states the insurance given under the plan does not include damage occurring as the result of restrictions imposed on the display of lights or by persons resident or secretly in Canada and acting as agents of or in the interests of any country at war with Canada.

The first clause, according to its strict interpretation, might mean that if, during a blackout, a truckload of munitions was in collision and an explosion occurred the government would not be liable for insurance indemnity. No ruling on this has been issued as yet, but insurance circles say that there was no intention on the part of the framers of the act to exclude damage that might be done by the explosion of a truckload of munitions under such circumstances.

It is claimed the intention was to exclude claims for damages to cars colliding in a blackout and not to override clause IV, which states that war damage includes damage caused by the explosion of a concentration of munitions or explosives being lawfully manufactured, stored or transported in Canada for war purposes by any person other than the insured. It is expected an official interpretation will be given on this point to clear it up.

Damage by Sabotage

An official interpretation is also felt to be necessary on the clause which excludes damage occasioned by persons resident or secretly in Canada and acting as agents of any country at war with Canada. What would happen if explosion of a trainload of munitions were occasioned by an enemy agent resident in Canada? Would this clause exclude such damage from the war damage defined by the act?

Agents Remuneration

Another point on which there seems to be some misunderstanding is the remuneration agents and companies are receiving.

It is stated that agents are paid at the rate of 5% of each policy with a minimum of 75 cents and a maximum of $500 on any one contract. Remuneration to the companies which issue the policies is 2½% of the policy with a minimum of 50 cents and a maximum of $250. The cover is being written through all Dominion licensed companies and recognized agents.

Ranks of Life Salesmen Thinned 30% Since 1939

Selective Service Adds New Barrier to Recruiting Salesmen — Volume of Sales Per Man Remains High, Says C. C. Martin

The number of men selling life insurance in Canada now is about 30% less than at the outbreak of war, Charles C. Martin, superintendent of agencies of the Northern Life of Canada, told the annual meeting of the American Life Convention in Chicago this week.

The percentage of those still in the business would have decreased further, he indicated, had it not been that the job of selling life insurance has assumed new importance. This he attributed partly to growing appreciation of life insurance as an instrument of economic security and partly to the fact that while more insurance was being sold, there were fewer men to sell it, and a bigger job for each salesman to do. The fact that fewer men in the business are making considerably more money is an offset to the increased difficulty in recruiting men.

In the first quarter of 1942, he estimates that life companies have recruited about 25% fewer men than in the same period of 1939.

Government Regulations

"On March 23 of this year, an order-in-council was passed at Ottawa restricting the occupations, including salesmen, in which men aged 17 to 45 inclusive, might be employed. Briefly, this order confined our recruiting efforts to men under 17 and over 45 unless they were medically unfit.

"Effective Sept. 1, this year, new and more drastic regulations have been issued by the National Selective Service Director which preclude us from talking to anyone of either sex of any age about coming into the life insurance business unless he has a permit from the National Selective Service Officer to seek employment. And no advertisement can be inserted in a newspaper seeking men without directing the replies to the National Selective Service Officer. What the ramifications of this order will be in relation of our business I cannot at this moment say. It would certainly appear to make the problem of successful recruiting a tremendously difficult one.

Soldiers' Insurance

"In reference to insurance on soldiers, the Canadian Government does not sell up to $10,000 convertible term insurance to members of the armed forces as is done in the United States. They do, however, provide a pension benefit for dependents, if death occurs while in service outside Canada or within Canada if due to military service. This pension is non-contributory and it is calculated it compares favorably with the United States maximum of $10,000 and is perhaps a little more generous than the United States plan if the non-contributory feature is considered.

"Since the outbreak of war Canadian companies have been regularly selling insurance to soldiers, subject of course to the war clause, but the volume of this business never has been high. One large Canadian company reports that only 5.3% by number and 5% by amount was sold to the members of the armed forces in 1941.

Typical Experience

"From a rather casual survey of other companies I would say this experience is pretty typical and, to depart a little from my original resolution not to make comparisons, I would suggest that while the market to soldiers has not been so effectively cut off in Canada as in the United States, nevertheless the volume of business in Canada is small and while it certainly accounts for a favorable sales result, the result would still be a very positive one if the soldier business had not been available to all. During the early months of the war the volume of soldier business was considerably higher than it is today but at no time did it ever, I believe, exceed 10% either by number or volume of sales. Original experiences with soldier business, which was practically all settled on payroll assignment plan, was very bad in spite of precautions and safeguards set up by the companies. Experience lately has been very much better.

Conservation Records

"I believe I can say with accuracy that the war has had no adverse effect whatever on the conservation of business in Canada. As a matter of fact, this phase of our business has been getting better each year and practically all companies reported in 1941 one of the best conservation records in years and every company is gaining substantially in business in force."

Ocean War Risk Rates Reduced

Substantial reductions in ocean war risk insurance rates for vessels in the Atlantic, Caribbean and Indian Ocean trades have been announced by the Canadian War Risk Committee. The reductions which followed disclosure of increasing allied success against Axis U-boats.

On routes to and from the East Coast of Central America, Mexico and the north coast of South America, the new rate is $12.50 per $100. The former rate was $15. The reduction on the West Indian routes is from $15 to $12 per $100 cargo value. Rates to Africa have been reduced $2.50 per $100, the rate ranging from $17.50 per $100 to $22.50 according to ports. To the Indian Ocean, rates have been reduced $2.50 per $100 and range from $17.50 to $22.50 per $100 not east of Calcutta.

Between the United States and Brazil and Argentina the rate is cut from $20 to $17.50.

Income Held Essential In Recruiting Agents

Insurance Executive Says Good Men Cannot Be Attracted Unless They Can Be Shown Opportunity to Earn More Money

Earnings are the prime factor in recruiting men for the agency staff of a life insurance company. So stated W. F. Thorne, superintendent of agencies of the London Life Insurance Co., at the annual meeting of the American Life Convention in Chicago.

In Canada, he said, it has been found impossible to attract men now making reasonably good money unless they can be shown they will make considerably more money. A man making $30 to $35 a week can only be induced by prospect of promotion to leave his job for another paying the same salary. This is something, in Mr. Thorne's opinion, that should not be promised. However, where average earnings in an office are about $50 a week, he claimed, recruiting shouldn't be a difficult problem. Average earnings of $35 to $40 a week don't mean a company can't recruit good men, but it is necessary to have in the office at least a nucleus earning sufficient money to attract the men sought.

London Life Experience

Here's his account of how his company faced the whole problem:

"Ten years ago our staff earnings averaged about $25 a week. We went into each office and picked out all the men who appeared to have the ability and desire to earn more money and told them frankly what we wanted to do and what part we wished them to play. The results were very satisfactory. Most of these men appreciated our taking them into our confidence and recognizing them as potential leaders in the office, and the earnings of these small groups swung upward very quickly. As soon as we had their earnings around $40 a week, we found we were able to get the type of new man we desired . . . In almost every instance it was the earnings of this nucleus that clinched the sale to Mr. Prospective Agent.

Congenial Atmosphere

"Another factor that helped us considerably was our setting about to create a congenial atmosphere in every office. We sold our leaders in the field on the sound idea that the agent is all-important. Nothing was done to belittle the individual on the debit; everything was done to build him up; and it soon became noised around that the London Life office was a good place to work.

"Another very important factor that helped us to get good men: the training programme that we could describe to a prospective agent. In Canada most men do not think they can sell life insurance. At the time we recruited them practically all of the men who are now our best agents—or their wives—told us that they did not think they could sell life insurance.

"To overcome this objection, the most convincing argument that we could present was an explanation of our training programme followed by quotations of the large percentage of men in the office and in the company who have developed into successful life underwriters; in fact, this invariably won for us . . .

Agents' Schools

"All agents hired any place in Canada are brought to central schools for three weeks' training. The course consists of about 60% lectures and 40% actual field training.

"The value of these schools is indicated in the general comment of the superintendents and managers, which is to the effect that a graduate from the three-week school knows more about the life insurance business and is more capable than a man who has been on the debit for six months but who has not the benefit of the school training.

"Most graduates of the school—in fact nine out of ten—make a success of the business, and this has had a marked effect on our turnover during the past few years. Every man who attends the school has his railway fare paid from and back to the city where his agency is located, and receives $25 a week while attending the school. The average cost of sending a man to the school is $146."

The period at the school is followed by a period of carefully supervised training in the field.

Mr. Thorne stated that in spite of the competition of the armed forces and war industry for men, the company has been able between January, 1941, and September, 1942, to recruit some of the best men it ever obtained.

Winter's Approach is Signal To Analyze Clients' Needs

The September issue of the Board Advocate, issued by the Canadian Underwriters' Association, states that the approach of the fall and winter season is a signal to the insurance agent to analyze his clients' needs. It says:

"Heating has or will soon be started in many homes, factories and industries, and fire hazards are greater than in the summer months.

"More accidents happen in the fall and winter months than in the summer.

"Bicycle riding, and many will ride bicycles this year because of gas restrictions, will be more common and there will be the hazards of riding on slippery streets.

"Winter is the period when burglars find it convenient to work especially when so many homes will be without maids, and houses will be left unoccupied while the lady of the house does her shopping.

"Storms cause damage."

"These," says the Advocate, "are just a few suggestions. The beginning of the fall is a good time to do some keen analytical work and to sell ideas for better coverage to prospects."

New Wartime Regulations

Post Summary of Latest Rulings from Ottawa

GAS HEATING EQUIPMENT. M. & S. Order T. B. 4B, Sept. 8. The Union Gas Co. of Canada Ltd., the Windsor Gas Co. Ltd., and the City Gas Co. of London shall not supply any gas to individuals or corporations whose heating facilities are convertible to the use of coal. All gas heating equipment in the premises of such individuals shall be detached or removed. Power Con., H. J. Symington.

* * *

BEDDING AND UPHOLSTERED FURNITURE. M. & S. Order C.S. 29-C, Sept. 10. After Jan. 1, 1943, the use of spring wire, strip steel and tubing, band steel, angle iron and so on in bedding and upholstered furniture is cut sharply. A schedule of specifications is set out which manufacturers must adhere to, and they will be required to file regular reports. Con. of Supplies, A. H. Williamson.

* * *

USED TYPEWRITERS. W.P.T.B. Order A-394, Sept. 11, fixes a scale of maximum prices for used and rebuilt typewriters. The rental which may be charged for such typewriters is also regulated. Adm. of Used Goods, S. Godfrey.

* * *

FARM MACHINERY. W.P.T.B. Order A-395, Sept. 12, schedules the kinds of farm machinery and equipment which may be imported or manufactured for sale in Canada during the 12-month period from Nov. 1, 1942, to Oct 31, 1943. It also curtails production. An interesting feature is that the kind of equipment specified for sale in eastern Canada and British Columbia differs from that which may be manufactured or imported for sale in western Canada. It will be illegal to sell in eastern Canada or B.C. farm machinery and equipment manufactured or imported for sale in western Canada. Similarly, equipment for sale in western Canada may not be sold in eastern Canada or B.C. Adm. of Farm and Construction Machinery, H. Bloom.

* * *

HARDWOOD VENEER LOGS. M. & S. Order TB 13, Sept. 15. In Nova Scotia, New Brunswick, Ontario and Quebec all hardwood veneer logs must be sold to Veneer Log Supply Ltd., or its authorized representatives. No hardwood veneer logs may be used for any purpose other than the manufacture of aircraft veneers. Deputy Timber Con., L. R. Andrews.

* * *

ICE. W.P.T.B. order A-400, Sept. 17, sets the minimum quantity and maximum price for ice which may be sold in the Montreal District. Adm. of Foods, J. G. Taggart.

* * *

POWER SHORTAGE AREAS. M. & S. Order P.C. 5, Sept. 20. In power shortage areas of Ontario and Quebec the use of electricity is prohibited for interior or exterior sign lighting, outdoor lighting and floodlighting (with certain exemptions), ornamental lighting and so forth. Power Con., H. J. Symington.

* * *

EXEMPTION FROM MAXIMUM PRICES. W.P.T.B. Order 189, Sept. 22, co-ordinates earlier orders exempting a long list of specified items from maximum price provisions. W.P.T.B. Chairman, Donald Gordon,

* * *

CONSTRUCTION MATERIALS. M. & S. Order C.C. 12, Sept. 22. This regulates the use of materials in construction of all buildings in Canada. Certain materials may no longer be used at all, while the use of other materials must be avoided to the greatest possible extent. Con. of Construction, C. Blake Jackson.

* * *

USE OF WARTIME PRICES AND TRADE BOARD'S NAME. W.P.T.B. Order 174, Sept. 24, regulates the way in which the name "Wartime Prices and Trade Board" may be used for advertising and other purposes. W.P.T.B. Chairman Donald Gordon.

* * *

LUGGAGE. W.P.T.B. Order A-408, Sept. 28. After Oct. 30 no person may manufacture wardrobe trunks, wardrobe luggage or Gladstone bags without the permission of the administrator. The manufacture of trunks or luggage containing flat trays is still permitted provided such flat trays are manufactured and held in position without the use of metal except joining hardware. Adm. of Luggage, E. J. Shoemaker.

* * *

SILVER. M. & S. Order M.C. 25, Sept. 29. This limits to 500 troy ounces a month the amount of fine silver any individual or company may buy without written permission. Metals Con., G. C. Bateman.

* * *

PORTABLE LAMPS AND SHADES. W.P.T.B. Order A-413, Oct. 1. Materials which may be used in making bed lamps, desk lamps, floor lamps and so forth are restricted, with metals being cut to a minimum. During the period July 1 to the end of the present year no person may manufacture more than 25% of the number of lamp units he manufactured during the calendar year 1941. The design of lamps, the length of cord and other features are regulated. Adm. of Electrical Equipment, A. L. Brown.

* * *

AIRCRAFT FUEL. M. & S. Order O.C. 16, Oct. 1. This is designed to ban the use of aircraft fuel in certain aircraft. A permit will be required by anyone purchasing such fuel for aircraft other than that of the armed forces, the Air Training Plan or of scheduled air transport services licenses by the Board of Transport Commissioners.

New Books . . .

Inside Germany

LAST TRAIN FROM BERLIN. By Howard K. Smith. Published in Canada by the Ryerson [illegible]s. Price $3.25.

Smith was formerly Columbia Broadcasting System correspondent in Berlin, and fled the Nazi capital Dec. 7, "the last American correspondent to leave Germany a free man." He is now broadcasting from Switzerland.

Importance of this book is that it is in a field by itself. It is not a story of politics and of armed conflict. Smith had the unique advantage of seeing Germany live and work through the first 27 months of war and he does a competent job of reporting the facts and what he believed to be facts of high interest and the utmost importance to our cause.

He paints a picture of German home-front conditions and morale which is often black for the Nazis; bright for us. How sound these implications are is another matter, for measurement of national morale and similar intangible things is something for which no two writers would likely get the same answer. Our failing ever since September, 1939, has been that we constantly underrated our adversaries; too long refused to believe the evil facts and waited for a miracle. The Smith story is good and useful, provided we don't let it hurt our determination or mitigate the size of our effort.

Smith is 27 ears old and frequently the book shows it. His first two chapters are filled with undergraduate philosophical meanderings which most readers can live happily without reading.

* * *

Global War

NEW WORLD HORIZONS. Edited by Chester H. Lawrence. Published in Canada by Collins. Price $3.50.

This useful and attractive volume is really "geography for the million;" it tells in a simple dramatic way the geographic facts behind the military facts which jump from all corners of the globe at readers day after day.

Nearly every page has a simple, useful map which readers will find helpful in orientating themselves to the new world which has been born of the airplane—a world which shrinks several times a year as better planes, better flying facilities are developed.

Magellan's world was 518 times larger than the world of today, the authors point out. Jules Verne's world was 38 times larger. Even the world of Howard Hughes who did his epoch making flight in 1938 was twice as large as our world today. "The walking mile is 60 times as long as the airplane mile." "Modern airplanes cross the oceans in one-twenty fifth of the time required by ships."

The handsome volume explains the whys and hows of the Great Circle Route of the globe-girdling aircraft. Illustrating the point, it reports that from New York to the Suez Canal is 14,000 miles by water; 7,200 by air. Seattle is 14,000 miles from Calcutta by water, 8,300 by air.

The book is widely used as a textbook in U. S. schools and colleges.

The Wawanesa
Mutual Insurance Company
—Organized in 1896—

Admitted Assets ..	$3,310,837.04
Surplus	1,735,148.47

Write for Financial Statement
Ask for Our Booklet "Farming Holds the Key"
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton.
2,000 Agents Across Canada

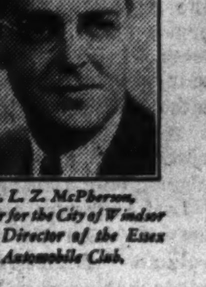
United States
Fidelity & Guaranty
Company
TORONTO

BEFORE
YOU
INSURE
Consult
Confederation
Life
Association

Dominion Appraisal
Company Limited
Consult us with YOUR
Appraisal problem.
We Invite Inquiries
from
Industries, Municipalities, Real Estate, Public Utilities and Institutions.
Solicitors and Private property owners.
Head Office
137 Wellington St. West
TORONTO Elgin 5928
MONTREAL
University Tower Building.

THE ESTABLISHED 1906
MONARCH LIFE
Assurance Company
A PROGRESSIVE CANADIAN COMPANY

ADEQUATE ACCIDENT INSURANCE
Safeguards Victory Loan Payments.
No falling behind in Income Tax.
ASSURES A STEADY INCOME
THE GENERAL ACCIDENT GROUP
357 BAY STREET TORONTO



"My National Life Policy i
Practical Means to Securit
—*says City Solicitor of Wind*

Mr. L. Z. McPherson, Solicitor for the City of Windsor and a Director of the Essex County Automobile Club.

"In these days of stress and uncertainty," says Mr. McPherson, "the need for planned savings and security for ourselves and families is more important than ever before. I believe that life insurance offers a safe, systematic and profitable plan that fills that need. That's why I consider my National Life policy is a practical means to financial security."

Mr. McPherson's opinion is shared by many other prominent Canadians whom we are proud to number among our policyholders.

The National Lif
Assurance Company
of Canada
Home Office Toronto

THE
Dominion of Canada
GENERAL
Insurance Company
Fire Casualty Life

WAR is changing many things...
Coffee
SUGAR
TEA

but not your family's need of protection

With so many demands on your income, you may feel unable at present to afford the protection you want your family to have.

A Mutual Life representative will be glad to help you with this problem: There are many Mutual Life policies designed for limited incomes that will assure protection for your family at a cost that fits easily into your budget: Moreover; The Mutual Life of Canada specializes in selecting policies to meet individual needs : : : a service you will find especially helpful in these difficult days.

DO NOT OVERLOOK YOUR OBLIGATION TO PURCHASE VICTORY BONDS AND WAR SAVINGS CERTIFICATES

FOR WAR-TIME NEEDS::: THE VICTORY POLICY

For those who wish to combine substantial War Savings with *adequate* insurance protection, The Mutual Life of Canada has specially developed the "Victory Policy."

Premiums are exceedingly low for the first few years, while you are investing in War Savings Certificates or other war loans. Yet protection is *immediate* and *permanent*, and you will be able to use the proceeds of your War Savings Certificates as they mature to pay the premiums.

The Victory Policy is available to every adult who is insurable. It is especially attractive to men and women with modest incomes.

See your nearest Mutual Life representative for complete information on the Victory Policy. Or write direct to The Mutual Life of Canada, Waterloo, Ont.

THE
MUTUAL LIFE
OF CANADA
Established 1869
HEAD OFFICE: WATERLOO, ONT.

ee Quebec Moderates Gaining Strength

Politicians and Press Seen Adopting More Conciliatory Tone

JOHN E. LANGDON

NTREAL.—Signs are now t that French Canada is process of realigning its t on two matters of vital tance to its future—its re- s with the rest of Canada s attitude toward the war. change is neither univer- or complete. Nationalists demand greater economic ity; a few extremists still f a French-Canadian repub- few politicians still seek to capital out of the province's lties.

altered outlook stems from alization that the plebiscite what followed might range sh and French-speaking dians in hostile groups. being a powerful minority dominion divided along poli- rather than language lines, ec would become a weak rity facing a united and helming English-speaking rity.

shift of sympathy is diffi- o define, more difficult to ate in terms of its effect on al trends. It shows itself ally in a more "mellow" in politics and journalism.

Godbout Takes Lead

the political field, Premier rd Godbout wants his peo- o have greater economic se- y, to give wholehearted sup- to the war effort. He has avored to break down many dices; to give French-Cana- a pride in their part in ing the war. The Premier ent considerable time in in- ting the views of Quebec s people to those outside rovince. In particular he ttled the teachings of the nationalists.

e French-Canadians in de- ding our fundamental ," he told a group of rican newspaper editors at- ng the National Editorial ciation meeting at Quebec , "have striven ceaselessly the unity of Canada. We co- ate loyally and effectively our fellow-citizens of the sh tongue."

mier Godbout's policy of rt for the Dominion Government in wartime is well known. He speaks for a large number of people in Quebec, particularly in the rural areas where he has his greatest political strength.

Others do not always see eye to eye with the Premier. There have been times when their views on the economy of the province and the war effort were outspokenly antagonistic to the English-speaking majority of Canadians.

Broader Approach

A broader approach was taken by Hon. Oscar Drouin, Quebec Minister of Municipal Affairs, Trade and Industry, when speaking before the Federation of Junior Chambres de Commerce at LaSarre, Abitibi County, early last month. Mr. Drouin, while a member of Mr. Godbout's cabinet, by no means subscribes in full to the policies of his chief. He is well known to have leanings to the "left" and a strong advocate for French Canadian rights. He said:

"Pro-French-Canadian policy means that we will think of ourselves; it does not mean anti-English policy nor anti-British policy. There is no room in the province for such a thing. . . . We are here to stay; so are the English and other races. We are here to be part of a great nation. English and French Canadians are not a menace to civilization nor to one another."

Others in Field

What of Maurice Duplessis? Rene Chaloult? J. E. Grégoire? Maxime Raymond and other leaders?

Maxime Raymond as leader of a new political movement in Quebec has not, as yet, enunciated his programme. But his record and his opinions are well known. Raymond wants to improve the lot of French Canadians and will work within the framework of Confederation to accomplish that end, he says.

Publicity almost made a martyr of Rene Chaloult—a back bencher in the Quebec legislature until one of his speeches ran afoul of the Defense of Canada Regulations. Since then Chaloult's speeches have been more moderate in tone. He has lined himself up with Maxime Raymond.

J. E. Grégoire, one-time stormy figure in Quebec politics, has made little headway. He is now associated with the Social Credit party.

Paul Gouin has done little talking of late other than to say he was giving his support to Raymond.

Maurice Duplessis, leader of the official opposition in the Quebec Legislature, continues to make the headlines. However, his political star is said to be in the descendancy and his party has not recovered from the knock-out blow received at the last election.

All of these provincial political figures, possibly excepting Maurice Duplessis, are following a policy of greater restraint. There are fewer and fewer "outbursts," and more evidence of a desire to co-operate with the other provinces.

Facing the Facts

The views of the "elder statesmen" also are worth noting. Speaking before the Montreal Junior Chambre de Commerce recently, Hon. P. J. A. Cardin, the former Minister of Public Works who broke away from the King Government on the question of military service, told his hearers that the plight in which the French Canadian people finds itself today is attributable to mistakes of the past, inherited from the humble French colonists who settled first in Quebec.

Turning to the future he urged French Canadians to turn to education and to profit from the experiences of their elders who have "attended the school of life." Collaboration and cooperation with other nationalities, he said, should be linked with a common understanding for the good of Canada.

Press More Conciliatory

The more conciliatory tone in political utterances finds reflection in the French press. Most notable change is in the editorial policy of L'Action Catholique of Quebec City. This publication, which has a wide following among the clergy and laymen, has gradually altered its editorial viewpoint to one of support to the policy laid down by the Federal Government. Previously it had been rather strongly pro-nationalistic.

The majority of other papers have followed a more or less neutral policy, with the exception of the group owned by the Hon. Jacob Nicol. Mr. Nicol owns three papers, the principal being "Le Soleil," of Quebec. "Le Soleil" has been inclined to nationalism in its narrow sense; to swing with political opinion, rather than to give outright leadership.

Undergraduates of Laval and the University of Montreal were recently polled to find out which paper they followed most closely. It had been expected the poll would show one or other of the more nationalistic types of paper in the lead. Instead it showed by a wide margin that the students favored Jean Charles Harvey's "Le Jour"—a paper which is anything but nationalistic in sentiment.

Explaining Quebec

Of growing importance has been the move to "explain" Quebec and its ambitions to those outside the province. An instance of this was the thoughtful speech recently given before the Canadian Club at Winnipeg by Senator Leon Mercier Gouin, son of the late Sir Lomer Gouin and brother of Paul Gouin. He declared that "fanataacism has been one of the many causes of the divisions which have driven a wedge between the two great races of the Canadian nations."

What of the people? Has there been any change in their feeling on these two very important issues?

The people of Quebec were misinformed as to the real purpose of the recent plebiscite. The issue was so bedevilled by politicians that few Quebeckers knew of the fundamental issue involved.

But the outcry that followed upon the plebiscite is another matter. For the first time since the war started French Canada began to realize that this war was not a question of politics. It was something far greater—a world-wide struggle to retain the principles of democracy.

On the question of armed service, Quebec youth appears to be coming forward in a spirit which has little semblance to the plebiscite vote.

The only criticism of the workings of the selective service for military training among dozens of French Canadians spoken to, was voiced by one prominent leader who said: "The authorities at first were too lenient in granting deferments to Quebec youth. Lately they have tightened up. It would have been better if they had been tough at the beginning and not tried to appease us too much."

Along these lines the opinion held by many French Canadians is that Ottawa is handling the enforced military service with tact and in striking contrast to what happened in 1917.

Support Armed Services

The training of an increasing number of French Canadian officers for the army and navy; the creation of French Canadian squadrons in the R.C.A.F. overseas, are two steps that bring home to the people of French Canada that this is their war, every bit as much as it is for English-speaking Canadians.

Casualty lists, too, are playing their part in helping to clear away misconceptions. The losses at Hong Kong, Dieppe, at sea and in the air fighting over Britain, France and Germany, have instilled in French Canadians a feeling of pride that men of their race are "in there fighting."

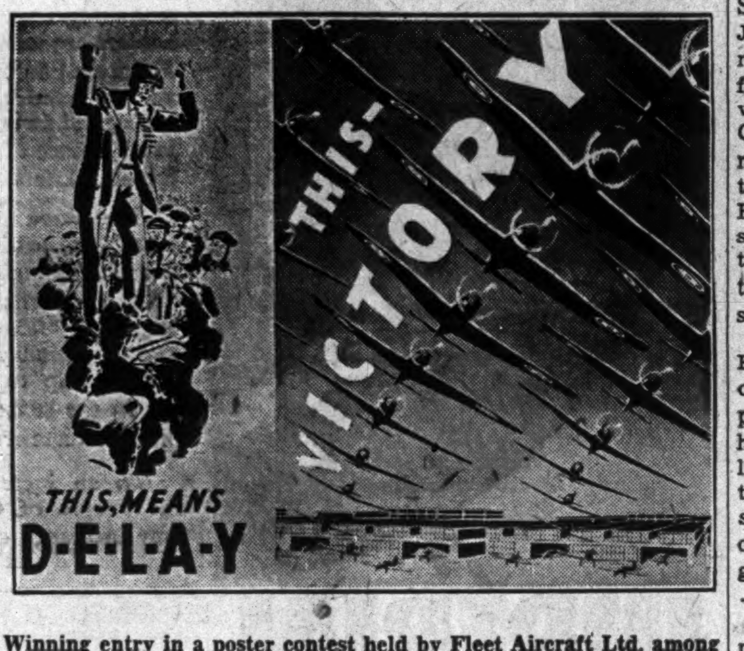
French Canadian citizen groups have been formed to aid in the selection of officer material for the army.

Women's groups are actively aiding to promote enlistments in the Canadian Women's Army Corps.

On the broad question of economic rights, French Canadians have not had an opportunity to give expression of their views. That may come with the holding of by-elections for the provincial legislature.

Most encouraging is the growing acceptance by French Canadians that the first and most important job to do is to win the war.

It may denote that the great majority of French Canadians are coming around to the belief that it is in their own interests to work out a solution of their social and economic problems within the framework of the Dominion and not through the medium of isolationism.



Winning entry in a poster contest held by Fleet Aircraft Ltd. among its employees is the striking display above. Twelfth in a Dept. of Munitions and Supply series this is the first to be designed by a worker in the industry. Aim of the series is to stimulate enthusiasm in the plants as well as public interest in aircraft production.

. C. Women Hold the Fort

place Men in Wide Range of Industy to Ease Labor Crisis

rom Our Own Correspondent

NCOUVER. — Women have effectively filling the de- d ranks of manpower in h Columbia's wartime in- y.

men are taking their place e shipyards, in aircraft fac- and machine shops, in ply- and lumber plants, on the and in many other occupa- that used to be regarded as ively for men.

d they are doing a good job. itish Columbia's production intained in several important tries at anything like the of a year or so ago it will most entirely because of the nse of women and young who donned overalls and to work when father and r went off to war or took avy" job in the war plants.

Replace Some Japs

some instances in British mbia women have replaced nese workers who were uated to the interior this er.

ousands of Japanese cannery ers and lumber mill employ- ad to be replaced, and while ny cases the type of work rmed by the Orientals was nerous for women to take ny of the lighter tasks were ed to them and these have performed with credit.

he wood working industries, as plywood, planing and r mills women have virtually "taken over" many departments.

"Women have proved much more adept at such jobs as sorting and grading," said one mill superintendent. "In some cases they are doing a better, more accurate and painstaking job than men, and they certainly learn a lot faster than young men and boys who often can't seem to keep their minds on their work. Being methodical seems to be second nature with women."

Wood working industries in and around Vancouver probably employ 3,000 women at present, and their number is steadily growing

Building Aircraft

Big specialized war industries such as Boeing Aircraft of Canada which recently turned out its first big P.B.Y. flying boat are employing large numbers of women in the designing and lighter phases of production, and Dominion Bridge Company's gun plant is also giving employment to hundreds of women and girls.

"At first it was a matter of necessity to hire girls instead of men," said a factory manager in discussing the situation. "In many instances we took women reluctantly and frankly skeptical of whether they could do the job. Now we are wondering whether we weren't making a mistake by not taking them on the payroll long ago even when plenty of men were available."

West coast shipyards alone have absorbed some 30,000 men, and when it is considered that enlistments for the fighting forces have probably accounted for another 40,000 or 50,000 more men, and with wartime demand for industrial production geared to an unprecedented volume, British Columbia would have been desperately short of workers to fulfill expected quotas had it not been for the women.

Critical Labor Shortage

The west coast province still has a critical shortage of manpower and it is getting worse every week. Logging camps and sawmills have been forced to reduce output; base metal mines have curtailed production, and in several sections of the province crops will rot on the ground because there were not sufficient labor supplies for the harvesting. But the situation would have been far more serious had women failed to offset the deficiency.

Early in the summer the Fraser Valley berry farms faced ruin as a result of the evacuation of Japanese, who controlled the small fruit industry in that region. Growers associations, in cooperation with the provincial government, organized corps of volunteer women and girls to act as pickers during the critical period and several hundreds recruited in Vancouver alone worked in the Fraser Valley fields while on Vancouver Island hundreds more helped to pick the berry harvest of Gordon Head and Saanich.

Fruit Problem

The fruit crop in the Okanagan has imposed greater problems because of the larger number of harvesters needed and the relatively difficult nature of the work. It is no easy task to climb fourteen-foot ladders and labor in the orchards all day, toting apples and stone fruit. Girls who were able to spend all day in the Fraser Valley at "stoop labor" on the berry fields found the apple harvest more difficult, but strong-armed Doukhobor and Mennonite women were taken into the Okanagan and they have been doing a good job.

In the northern reaches of the Okanagan Valley, where the trees are older and bigger and where many Japanese were employed before the war, the situation has been more acute. The growers, in fact, petitioned the British Columbia Security Commission to release a certain number of male Japanese from construction camps in other parts of the province so that they could be employed in the orchards.

The Security Commission, however, recalled that the Okanagan earlier in the season had shown reluctance to accept Japanese under any condition and that it (the commission) was primarily interested in placing Japanese where they could remain for the war's duration rather than for the few weeks of the apple harvest.

The Okanagan will therefore be obliged to rely chiefly on its own labor resources. In Kelowna and other valley towns many stores and commercial enterprises will close up shop at least two days a week so that their staffs may help with the harvesting. Bank managers, plumbers, retail clerks and carpenters are working together at the unfamiliar job of picking fruit this season, but much of the day-to-day routine in the orchards and in the packing houses has been assigned to women and girls, many of them entirely new to the job but ready to learn and in most cases performing their task competently.

The Machinery

Much of the job placement has been done in British Columbia through the Unemployment Insurance Commission, and J. H. McVety, western superintendent, is keeping in close touch with the problem. No employer may hire labor and no worker may shift jobs without the commission being notified.

In the British Columbia cities many service jobs previously performed only by men are now assumed by women. Women are now being employed as service station and garage attendants, as taxi and bus drivers, as messengers and even as truck drivers and fuel-carriers.

The banks, financial houses and most of the stores, of course, have been compelled to employ an overwhelming majority of women and girls since early in the war. Bank personnel officials state that it is becoming increasingly difficult to obtain competent help; that many girls are taken on the staff direct from high school simply because older women have found better-paying positions in war industry or in shipping and commercial offices more directly affected by war business.

Montreal Coke On All-out Basis

Secure Coal Supply for 1942-43 — Ships Coke to Ontario

From Our Own Correspondent

MONTREAL.—Montreal Coke & Manufacturing Co., jointly controlled by Montreal Power & Koppers Co., is operating at capacity. The company now has sufficient coal in storage at its Ville La Salle plant to ensure full operations during the coming winter.

Indications are there will be no shortage of gas to meet requirements of the Montreal area. The demand for coke is exceptionally heavy and at this stage it is not possible to say whether or not there will be a shortage.

One phase of the business which makes it difficult to forecast prospects is that the coke output is allocated to various places on government order as the need arises. Thus, during the course of the present year the company has been shipping coke into Ontario areas which normally would be supplied from other sources.

There is no longer any public investment in this enterprise. Up till 1940 first mortgage bonds were held publicly, but in that year the issue was redeemed and replaced with another bond issue which was sold to institutional buyers.

Newfoundland Revenues Climb

Financial results of the Newfoundland Commission of Government continue to show material improvement over last year's record showing. A surplus of $1.2 million was achieved in August, while for the first two months of the current fiscal year there was a surplus of $2.5 millions.

Following is a summary of revenues and expenditures:

August		
Revenue:	1942	1941
	$	$
Customs	1,821,589	1,243,861
Posts & telegraphs	113,008	78,266
Assessor of taxes	202,020	119,591
Nat'l. resources	37,948	12,302
Other rev.	145,734	75,444
Total	2,294,653	1,555,110
Expenditure:		
General	1,037,490	799,210
Surplus	1,257,163	755,900
First Two Months		
Revenue:	1942	1941
	$	$
Customs	3,577,993	2,227,805
Posts & telegraphs	240,381	145,957
Assessor of taxes	472,902	230,781
Natl. resources	27,424	47,519
Other rev.	266,649	149,743
Total	4,585,349	2,801,805
Expenditure:		
General	2,066,158	1,762,797
Surplus	2,519,191	1,039,008

Your Investment Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.

If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

E FINANCIAL POST,
University Ave.,
ronto 2, Canada.

Please send me The Financial Post for the next year (52 issues).
nclose $5.00.

ame ....
ccupation ....
ddress .... F.P.
would like information about this investment ....
....

The ALPINE Inn

HAVE YOU CONSIDERED A 'LAURENTIAN' HOME

Wouldn't you be delighted if you found a place where your family could live . . . where there were no domestic problems to consider . . . that was in itself an investment in health . . . that was easily accessible by train and Dad could get up for weekends . . . and where you knew your wife and grown-up daughter or young children were happy and well taken care of.

THE ALPINE has recognized this growing need of many families who are breaking up expensive city homes. We have arranged for special long-term family rates. Combine this with the excellent service and cuisine for which this famous hotel is noted and we're sure you'll find it's just what you've been looking for. We invite your inquiry.

THE ALPINE
STE. MARGUERITE STATION P.Q.

Railway net earnings will probably reach a new peak this year. Combined results of the Canadian National and Canadian Pacific for the first eight months of the year set a record of $82,365,240, an increase of 20.3% over the like period of 1941 and some 59% above the 1929 returns for the same eight months.

YOU can afford a VICTORY BOND!

"Of course I *want* to buy a Victory Bond," many of us are saying, "but with taxes and other obligations so heavy, how can I possibly afford it?"

There is only one way . . . by rigid economy—by doing with less and doing without. It will not be easy, but make no mistake—the alternatives are far grimmer. Face the actual facts—the trend of the war to date—the maltreating and killing of men and women in conquered countries . . . For survival, you would quickly give all.

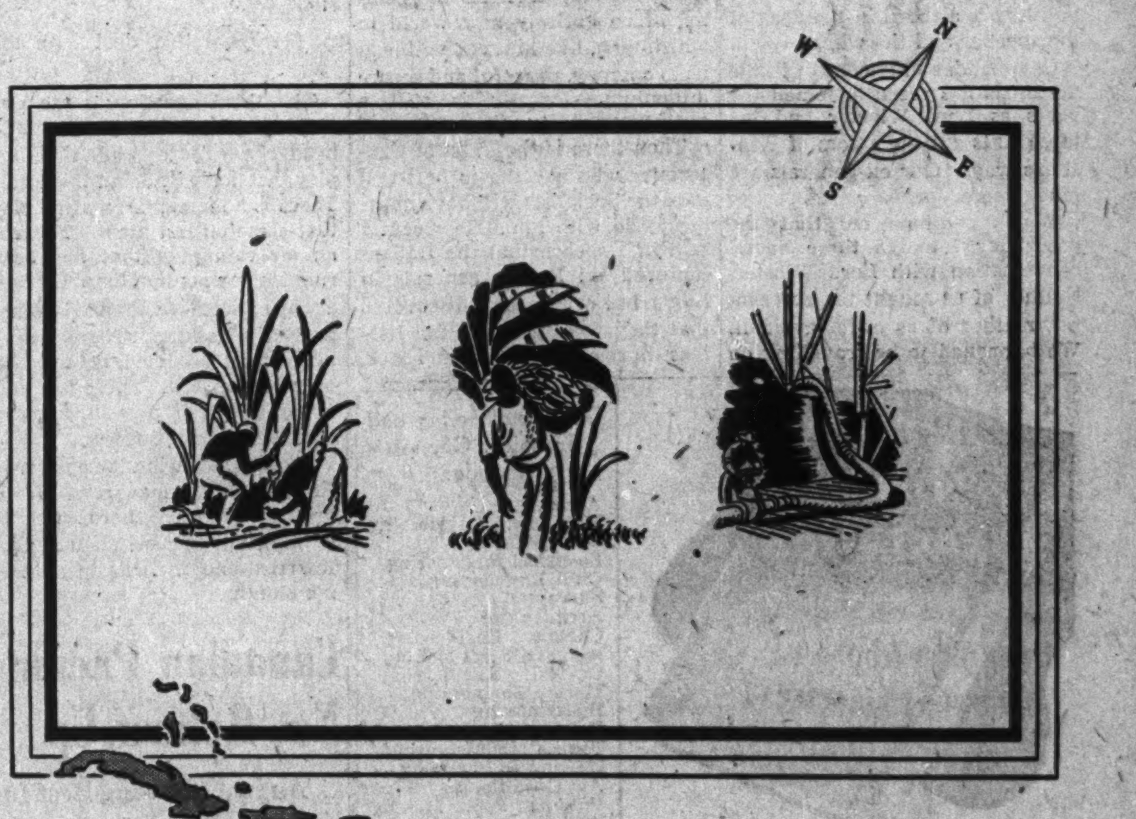
PREPARE NOW TO BUY THE NEW VICTORY BONDS—buy with your savings, buy out of regular earnings on an instalment plan.

The branches of this bank will gladly attend to your needs.

PLAN TO BUY BONDS AND KEEP THEM

If necessary, borrow temporarily against your bonds rather than sell them. They may be lodged for safe-keeping at the bank at very low cost (as little as 25c per year). They are your finest investment.

The BANK of NOVA SCOTIA
Established 1832—Over a Century of Service



Points of Contact in the West Indies

Since the establishment of its first branch in Havana in 1899, The Royal Bank of Canada has become one of the best known business institutions throughout Cuba, Haiti, the Dominican Republic, Puerto Rico and the islands of the British West Indies. This wide network of branches provides the Canadian business man with a convenient avenue through which to arrange his collections and other banking business in the Islands and to investigate future trade possibilities in this area.

THE ROYAL BANK OF CANADA

LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—London is a strange place now. The Stock Exchange, cheered by the stubborn defense of the Russians, has had a small boom. Investors are by nature a volatile race and are prone to sudden faith and swifter doubt but they obviously think at the moment that Germany is cracking. If that is so one wonders why aircraft shares should have gone up as they have done. It is difficult to believe that peace will bring an enhanced demand for the Spitfire, the Stirling and the Lancaster.

However, the war is not only being fought by belligerents. In the House of Lords, we saw that romantic figure, Lord Lovat, castigate the more portly figure of Lord Strabolgi. Lord Lovat is the British Commando leader and has led his men in various daring exploits, blacking his face and behaving with a zest and relish for danger worthy of a D'Artagnan. He was at the Canadian raid on Dieppe but had the good fortune not to run into such a furious defense as that which met the Canadians.

Lord Strabolgi was formerly Commander Kenworthy, the Socialist M.P. He is tenacious, inquisitive and lengthy, a good speaker and a coherent writer. Unfortunately he wrote an article recently in an American magazine in which he criticized the snobbery and the incompetence of the British Army. Now had he done this for an English publication, even if the extracts had been cabled to the U. S. A., no one would have raised an eyebrow. But to use an American magazine and presumably to receive remuneration for it savors, in the nostrils of some, as receiving 30 pieces of silver.

Strabolgi is not popular. He speaks too often and lectures his fellow Peers.

* * *

Sailors Speak Bluntly

As has been remarked more than once there is something about the Navy. We have quite a number of ex-naval officers in our Houses of Parliament and there is not a "yes" man among them. That gallant old sea horse, Admiral Sir Roger Keyes, V.C., is always demanding that we should be "up and at 'em." Admiral Sir Francis Freemantle is never satisfied with our use of science. Admiral Taylor booms at the government as if he is standing on the bridge in a gale, while Commander Sir Archibald Southby is a thorn in the flesh of the speaker and the whips.

Commander Fletcher of the Socialists has recently joined the peers as Lord Winster and he, too, points out the errors of Winston's ways. Our ex-generals are much more docile.

Which reminds me that the other day I had a three hours' conversation with Lord Winster. Neither of us sought the occasion but neither of us could avoid it. We happened to be travelling on a train and had been fortunate enough to secure standing room in the narrow corridor. The railways still sell first-class tickets, but don't be surprised if you end up in the luggage van.

* * *

"Vansittartism"

While on the subject of controversy it is interesting to note that Lord Vansittart (formerly the famous Sir Robert Vansittart, permanent head of the Foreign Office) has given a new word to our vocabulary. It is "Vansittartism." If you believe that Germany is beyond redemption and that all Germans are bad then you are indulging in "Vansittartism" and are therefore a "Vansittarite."

Nothing shows more clearly the genius of the public for oversimplification. Lord Vansittart certainly believes that the Germans as a whole are a bad lot but he regards the Teutonic race as being pathologically diseased. According to him they need treatment, and pretty rough treatment—similar to what doctors call "shock therapeutics." He does not despair of a cure but thinks it is utterly mad to regard the Germans as being sane or normal.

It is strange that so sensitive a creature as "Van" should have become the embodiment of mass hatred. He is elegant and gentle. He writes poetry and plays in French. He has a wife who is as frail and lovely as an orchid and he bids at bridge as if he were a first class player. Unhappily, while a man of great finesse, that seldom seems to help him at bridge. He was the author of the famous Hoare-Laval pact, that last desperate attempt to end the war in Abyssinia and keep Italy out of Germany's arms. Public opinion demolished the pact and when the rubble was cleared away Sir Samuel Hoare and Sir Robert Vansittart were found among the ruins.

However it is not only the phoenix which rises from the ashes. Anthony Eden emerged as the new star in the political firmament. A queer business, politics.

* * *

Anti-Vansittartists

The leaders of the anti-Vansittart school of thought are an odd lot. There is J. B. Priestly, who is never seen without his pipe (despite the unhappy association of that instrument with Stanley Baldwin) and preaches the coming of an entirely new world in which men, like himself, will lead us to a happy, peaceful and secure millenium. Priestly is still a good novelist.

Then there is the Dean of Canterbury who is going so Left that soon the Socialists will have nothing to do with him. He recently said in a speech that the Italians captured six British generals in Libya but when they discovered that they were generals the Italians hurriedly sent them back. The schoolboy persists for a long time in some men.

Lady Astor is also an anti-Vansittarite. She is doing all she can to help in the war effort but believes that Germany's soul may be cleansed by suffering. Her critics are trying to prove that she is anti-Russian because she hates the Communists. On this point she made rather a neat retort the other day: "I would shake the hand of any Russian Communist but I wouldn't be seen dead with a British Communist." This, as editorial writers love to remark, gives one furiously to think.

So much for the froth and bubble of things over here. Fortunately beneath the surface the tide runs strong and true. Britain is gathering her strength and when it is unleashed and breaks upon the enemy Hitler and all his works will be drowned in the surf.

* * *

Paper Waste?

Someone has just published a 2,000-page book of Hitler's speeches—a strange thing to do with paper so scarce. I wonder what the Germans in 50 years time will think of their mad Messiah when they re-read those speeches. There is not one original idea in the whole book, not one grain of philosophy, not one sign of a cultured mind. He had a single idea—to play on the credulity, the crude mysticism, the meanness and the cruelty of a sodden mass. But at least the book proves one thing—the world still stands aside for a man who thinks he knows where he is going.

* * *

What Price War Plays?

I am afraid that these notes have taken on an unduly military character this week but when the Captains and the Kings depart one has to pause and notice how much the gods walk like ordinary mortals. But let us end this column with a theatrical note.

What is the London theatre going to do about the war? The public (including the forces) has clearly shown two preferences:

(1) Any kind of a musical show with lively music, pretty girls and funny comedians is a sell-out.

(2) Plays that do not deal with the war are not particularly popular—except the revivals of "The Doctor's Dilemma" and "MacBeth."

(3) Plays that deal with the war?

The third question is the one that is giving the producers a headache. There is an Air Force play that made its debut this week. There is a mercantile marine play that came on last night. There is an air raid play that has been running for six months. There is a play of occupied France that has proved a failure. There was a play about occupied Poland that only ran a week. There is a play about German spies in America that is a roaring success.

I don't know what the answer is. Neither do the managers. If we are not careful there will be nothing but musical shows and a few costume revivals in another six months.

I.C.S. Engineering and Technical Courses Include:

Aeronautics
Mechanical Engineering
Ship Building
Electrical Engineering
Civil Engineering
Surveying
Architecture
Chemical Engineering
Iron and Steel Making
Operating Engineering
Marine Engineering
Boilermaking
Refrigeration
Textile Manufacturing
Heating & Plumbing
Air Conditioning
Pulp and Paper Making
Mining
Navigation
Radio Engineering
Railroading

A Useful GUIDANCE TOOL

For Personnel Managers,
Plant Superintendents and Industrial Executives

Each year, five percent of the skilled workers in any organization are eliminated by death, incompetence or change of employment. In many industries, seasonal demands make it advisable that workers should be adept at more than one job. Occupational training and vocational guidance are therefore an inescapable responsibility of Management. As a practical aid to those industrial executives, personnel managers and plant superintendents who accept that responsibility, I.C.S. has prepared a comprehensive Manual of Vocational Guidance and Training. It contains 433 pages in tooled fabrikoid binding. It is available to responsible executives without charge or obligation.

INTERNATIONAL CORRESPONDENCE SCHOOLS
CANADIAN, LIMITED
1517 Mountain Street, Montreal.

Canadian Pacific Net Return Up

August Showing Best for Same Month in Last 12 Years

From Our Own Correspondent

MONTREAL.—Net operating income of the Canadian Pacific Railway during August was the highest for any like month since 1930.

Operating revenues exceeded expenses by $3.2 millions. This was 2.3% greater than for the same month last year. Revenues were considerably higher than a year ago, but expenses have grown to such a point that they largely absorb the gain.

Since the beginning of the year the company reports a gross income of $165 millions. This was $25.8 millions higher than for the first eight months of 1941. Expenses advanced $23.6 millions, leaving net operating income at $28.4 millions, as against $26.3 millions last year.

August	1942 $	1941 $
Oper revenue	22,053,767	19,989,510
Oper. expenses	18,833,737	16,843,505
Net earnings	3,220,030	3,146,005
Eight Months Ended August		
Oper. revenue	165,012,867	139,189,350
Oper. expenses	136,576,303	112,928,231
Net earnings	28,436,564	26,261,119

B. C. Telephone Co. reports continued gains in number of telephones in service on its own, subsidiary and connecting companies. Since Jan. 1, 1942, a gain of 1,984 stations, or 1.3%, is reported.

Price Prosecutions Increase

Growing Shortages Probably Spell More Violations

By IAN SCLANDERS

While the number of prosecutions under the W.P.T.B. regulations increased sharply in September, there is still no evidence of organized black market rings in Canada, The Financial Post is told by top flight price enforcement officials.

"The 216 cases we had last month seems high compared to what we have had in the past," said one of these officials. "It doesn't seem so high when you compare it to an average of 2,500 cases a month which the Food Ministry alone has in Great Britain.

"Of course, if we get Britain's acute shortages, we will inevitably get more violations. What has happened in the case of the beef shortage in the Dominion points clearly to what can be expected."

There is no denial from the Wartime Prices and Trade Board that the meat famine has brought about evasion of the price regulations, possibly on a fairly wide scale. A butcher, his shelves bare, may pay a drover a higher than ceiling price for a dressed carcass in order to get something for his customers.

Then he may either sell at a loss, for the sake of retaining his trade, or, with the tacit consent of the customer, ask more than the retail ceiling.

In any event, it is difficult to obtain a conviction, because the parties in such a deal are equally guilty under the law, and cannot testify without implicating themselves.

Black Market Explained

The term "black market" is a misnomer say W.P.T.B. officers, in so far as it is applied to price violations which have developed in Canada. The black market is a place where buyers bid illegally against one another for scarce commodities.

The grocer would go there to outbid his competitors for some scarce commodity; then, having purchased a supply, he would "bootleg" it to retail buyers at sky high prices, netting a tidy profit on the transaction if he was not caught.

A distinct safeguard against black markets in Canada is the fact that in several short commodities, the government has stepped into the picture through Crown companies to control buying and distribution. This meant supplies could be followed all down the line, from importer or manufacturer to retailer, and to a great extent ruled out possibility of a black market somewhere in between.

Meanwhile, as shortages grow more acute and more numerous, officials are urging stiffer penalties for those who evade the regulations.

Records show that where specific offenses brought fines of $5, $10, $15 and $20 last May, in the majority of cases fines for the same offenses have lately been running from $25 to $100. In Toronto, one woman was fined $2,000 for hoarding, the stiffest penalty to date.

A few large companies have been taken to court—but not many.

Generally speaking, large concerns have been pretty careful in their dealings, The Post was told.

Where one of them has been convicted, due to a violation by one branch of a national organization, the reaction has been speedy and far reaching—in all branches.

Enforcement Cycle

Price control enforcement may be said to have run a cycle. Some allowance was made at first, for the need of educating business.

This gave way to a period when authorities were tougher, but still willing to overlook mistakes. There were many cases in which merchants claimed that the wrong price tag had been put on an article through a clerical error, and that this accounted for a higher than ceiling price being charged.

At present there is a disinclination to overlook mistakes of this kind, the attitude being that plenty of warnings have been given. It is pointed out that careless driving is an offense under the law and that, in a sense, careless pricing falls in the same category.

A breakdown of September prosecutions shows that 51 involved prices, 85 rentals, 28 hoarding and rationing, 26 gasoline, 16 tires, and 10 miscellaneous charges.

In August there were only 20 price prosecutions, and it was here the biggest percentage of increase occurred.

Hoarding Cases

The 28 cases of hoarding compared with 26 cases in the previous month.

Just how much hoarding is going on is a point about which few estimates are made in official circles, although there are reports of a good deal. Hoarding is almost impossible to define, from a legal standpoint. Our definition of it is having more than "a normal supply." Britain tried to be more specific, making it an offense to acquire food in excess of a normal quantity for a period of seven days, but all sorts of qualifications had to be added. For example, salt, pepper, mustard and flour are invariably purchased in amounts which last longer than a week. And how could a time limit be applied to a quantity of clothing?

Records indicate that it's more difficult, as a rule, for an enforcement officer to have a substantial fine imposed on a violator in a small place. In some rural areas, magistrates have stuck to "nominal" fines of $1 or $2 for fairly serious cases.

The fact that the man who violates a price ceiling is committing a criminal act has not, officials believe, impressed itself on such magistrates with sufficient force.

Investment Notes

Commercial Alcohols' sales, according to President G. C. Kertland, have not shown any particular change, being solely limited by capacity of plant. However a new plant now under construction is expected to be finished next month and capacity will then show an increase of 20%. Plant is now being switched from molasses to wheat, in view of the difficulty in maintaining supplies of the former.

* * *

Canadian Car — The company's plan for cleaning up the arrears of dividends on the preferred stock is reported to be making headway. Lack of any official statement to date has been due to the hold-up over income tax assessments covering the transfer of funds from the American subsidiary which received an award of several millions of dollars as a result of German sabotage to the Kingsland plant during the last war.

* * *

Loew's London Theatres shareholders have approved a resolution calling for winding up the company and distributing its assets to preferred shareholders. The company still has a contract with Marcus Loew's Ltd. under which Loew's London agrees to pay 10% of its profits after preferred dividends to the former. No release from this contract has been received but the purchasers of the contract agreed to indemnify Loew's London under the contract.

As long as the contract is outstanding the company will have to wind up under the Winding-up Act, a long and costly proceeding. Release from the contract would enable winding up under the Companies Act. Procedure to be followed will be known shortly.

* * *

Cockshutt Plow Co. has declared two more dividends of 25 cents each. The first is to be paid Dec. 1, 1942, to shareholders of record Nov. 2 and the second on June 1, 1943, to shareholders of record May 15. A year ago the company made two similar 25 cent declarations, first dividends to be paid since 1931.

* * *

Cornwall, Ont., has struck the 1942 tax rate at 21 mills, down a half mill from the 1941 rate and the lowest in five years. Expenditures budgeted for this year total $356,430 against 1941's $359,003. Revenues are estimated at $134,953, leaving $221,477 to be raised through the general tax rate.

* * *

British American Oil Co. statement accompanying current dividend cheques says aviation gasoline requirements, alone, are nearly 16 times what they were in 1940 and continue to mount. The company is rushing to completion a new plant for the manufacture of aviation gasoline and aviation lubricants, and installing equipment at other company refineries to increase production of aviation gasoline further. Proceeds of the recent $3 millions issue of 3¼% debentures are to finance these developments.

* * *

Canada Packers shareholders were told at the recent annual meeting that shortage of beef is the most acute situation facing the company at the moment.

S. G. Brock, vice-president and secretary-treasurer, told shareholders that the company's policy was to build up working capital for contingencies and current conditions meant that no increase in dividend or bonus was being considered.

Two representatives on the board of directors, G. J. Ayers and W. S. Cameron, resigned, leaving the board numbering 13 in place of 15. It is expected that an employee from Winnipeg will shortly be elected a director.

Employee representatives on the board alternate each year between the various plants, with each man holding office one year and only one employee representative being on the board at any one time.

Established 1910

Contributing to the World's battle for Freedom

T.I.W.
STEEL PLATE WORK

STORAGE TANKS
PRESSURE TANKS
BINS AND HOPPERS
WELDED AND RIVETTED PIPE

DESIGNED · FABRICATED · ERECTED

THE TORONTO IRON WORKS LIM
TORONTO MONTREAL

On the Record for 1941

The Futur

of over 1,000 more wome
now safeguarded by
IMPERIAL POLICIES

● Among Imperial Life's 8,000 newest poli holders are women in almost every occupati There are housewives and stenographers, nu and secretaries, teachers and clerks: T exchanged an uncertain outlook about the fu for the peace of mind that comes to holder Imperial Life Policies.

The future money problems of the busi woman are no different to those of men: Whe married or single they too must face the probl "What happens if I die too soon—what i grow old?" They too have dreams for the fu that only money can make come true—a h holiday trip to foreign lands—a comfort life in the sunset years. The Imperial Life plans to meet every pocketbook.

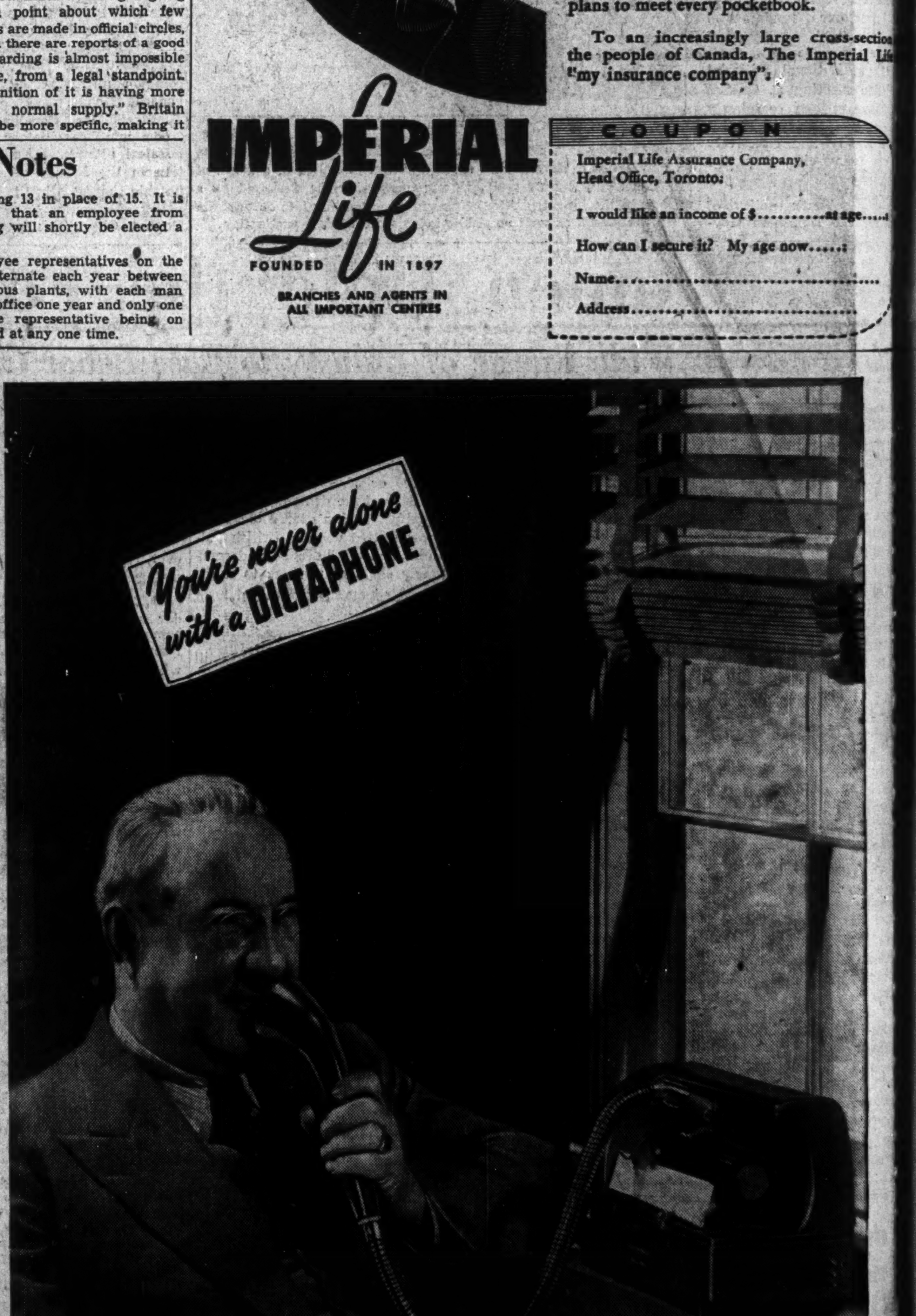
To an increasingly large cross-section the people of Canada, The Imperial Life "my insurance company".

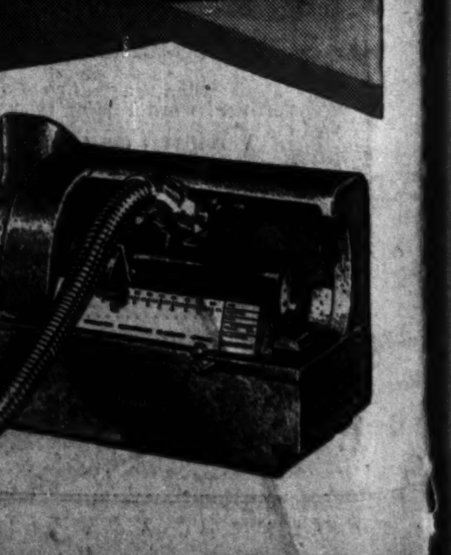
IMPERIAL Life
FOUNDED IN 1897
BRANCHES AND AGENTS IN ALL IMPORTANT CENTRES

COUPON

Imperial Life Assurance Company,
Head Office, Toronto.

I would like an income of $........at age.....
How can I secure it? My age now......?
Name.......
Address.......


You're never alone with a DICTAPHONE



DICTAPHONE

Dictaphone Corporation Ltd., 86 Richmond St., W., Toronto.
☐ Please send me free copy of "Business Experts Every Man To Do His Duty."
☐ I should like to try Dictaphone in my own office without cost or obligation.
Name
Company
Address

The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade-Mark is Applied.

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

Vol. XXXVI Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, OCTOBER 10, 1942 10c a Copy; $5.00 a Year No. 41

Production Councils—Key to a Crisis?

Labor-Management Committees Take Increasing Part in Meeting Demands For Still More War Production

By ROBERT C. STARK

As Canada's manpower crisis puts increasing strains on the Dominion's ability to meet its war commitments, more and more emphasis will inevitably be placed on making the most of the manpower we have.

How can that be done?

There are scores of ways in which Canadian industrial leaders are getting more production out of the same number or fewer employees, the same plant and equipment. Those methods, tricks of production, simplified processes, vary from plant to plant and from industry to industry.

But one solution, the simplest, is finding wider application. In essence, that solution is to ask the man on the job. An instrument by which management harnesses the brains of labor to production problems is the labor-management council—a meeting place for elected representatives of labor to thrash out production snarls with the engineers and production heads who are management.

Here is how the labor-management plan is applied in a few Canadian industries. These views are as given to The Financial Post by executives of firms which are using these councils and by government officials who are behind the programme.

Massey-Harris Co., Toronto, has had the plan in effect for the past four months through what it calls the Plant Production Committee. Employees elect representatives from the rank-and-file of their own departments; those representatives meet with the plant manager every two weeks. At the meetings the cards are laid on the table; ideas to iron out production difficulties and step up output are brought out for discussion and thrashed out. The management here has found that the men very often have good ideas concerning their own particular production jobs, that being close to their jobs they sometimes see things that management doesn't.

John Inglis Co., giant gun plant, has had Plant Co-operation Committees in operation since last May. This sprawling plant is broken up into six geographical units, each unit electing a committee of men below foreman rank, each committee meeting with the management once a month. Experience here is that the plan is working out very well with gratifying results being obtained. The meetings afford a medium not only for solving some of the great number of problems that inevitably arise in a plant such as this but the free exchange of opinions also allows putting over the problems of management to the workers. Management explains its policy in detail so that employees will have a fuller understanding of the operation as a whole.

47,000 Ideas

Canadian National Railways for some years has had union-management co-operative committees. From those 115 committees representing 40,000 men have come 47,000 suggestions, most of which have been accepted by the system. When suggestions were dropped the sponsor was told why. Recommendations are confined to such subjects as apply to the advancement of the industry or to the welfare of the employees and to the betterment of the railway's service. Questions of wages or grievances go through regular union channels. R. C. Vaughan, C.N.R. president, endorses the soundness of the union-management co-operative plan.

Indicative of employee desire to work closer with the management is the experience of Dominion Foundries & Steel Co., Hamilton. Since expansion to meet wartime need, many new employees were coming to the company. To work out a basis for a new understanding a suggestion contest was held. Over 1,200 replies came in and the No. 1 idea of the workmen was that they wanted to know the manager better.

Research Enterprises Ltd., a Crown company, has had a plan working satisfactorily for almost a year. Small Arms Ltd., another Crown company, has had a labor-management committee in operation for some months. Otis-Fensom of Hamilton has just set up its organization.

Considerable significance attaches to the operation of labor-management councils in plants operated by the Crown. While the scheme as a whole owes much to government backing in the person of Elliott M. Little and through the efforts of Ralph P. Bell, Director-General of Aircraft Production, adoption of the system has not been mandatory in Crown-controlled plants, nor has it been made a "must" for companies working largely or exclusively on government orders. Official statements of the policy of the Department of Munitions and Supply are lacking, and it is felt in some quarters that the Department is awaiting conclusive evidence of the success of the plans before giving its official blessing.

These examples are just that. They do not attempt to measure how widespread the idea of labor-management is in Canadian industry. This is simply the experience of Canadian companies in differing lines of production. Their experience and that of others, has been sufficiently satisfactory to encourage other managements to embark upon similar programmes.

The labor-management idea enjoys a large measure of official government favor through Elliott M. Little, director of National Selective Service. He wants to see the idea put over—fast. Across the country he has told employers that to get maximum production they should get their employees to help run the job; that they must go actively after their workers' advice and the full use of their experience.

Favorite Little example of the effectiveness of labor-management co-operation is drawn from his own experience with Anglo-Canadian Pulp & Paper. He describes it:

"Some years ago it was my job to raise production in our paper mill. I had a pretty fair idea of the size of the job, but didn't know too much about how it should be done. I did know, however, that orders from the front office wouldn't get it done. I took the problem to the men—superintendents, foremen and their crews all tackled it. We had been producing 480 tons a day. In less than three months, by making everyone of our employees a part of management, we were producing 630 tons a day—with the same men and the same machines."

Those that have working labor-management schemes stress some of the intangibles of the plan just as highly as the more concrete factors of directly increased production or efficiency. In connection with committees in the aircraft industry, Ralph P. Bell, director of aircraft production, has said:

"They have achieved an intangible accomplishment, the value of which cannot be measured in dollars and cents; namely, a better understanding by labor of the problems of management, and by management a better understanding of the attitude and problems of labor."

The morale angle is one repeatedly brought up by company officials in discussing the schemes as they operate in their plants. When workers can see their ideas taking shape on the production line they feel that they are an integral part of the war effort. When they can expound their ideas, good or bad, at a conference table they know that at least they are being listened to.

William Green, president of the American Federation of Labor, sounded labor's viewpoint at a Toronto speech Oct. 6, when he said there is a crying need today for better teamwork between management and labor. He declared that since the war the A.F. of L. has sought to expand the field of such co-operation by the formation of labor-management committees in war production plants. He reported:

"This programme, inaugurated under the auspices of the War Production Board, has not yet been applied as widely as it should be and will be, but already highly constructive results have been reported by both management and labor alike."

The labor-management idea has the support of organized labor as expressed in this statement from the Canadian Congress of Labor:

"The workers on the job are fully aware that present production policies are inadequate; they know that vastly more can be done; they realize that only by the widest and most efficient use of the machinery of production, the material resources, and the manpower of the nation can victory be achieved. The Congress therefore believes that a plan should be adopted which will arouse the enthusiasm and release the energies of the workers by treating them as partners in the war effort, with a full understanding and a voice in the determination of production policies. Labor management co-operation is the key to maximum industrial efficiency, as has been proven by the experience of Great Britain and the United States."

Turning point of labor's endorsement of the scheme, however, is that it wants the idea to have a far broader scope than production committees in individual plants. The Canadian Congress of Labor has been urging the formation of an industrial council in each basic industry in Canada. First step, in the opinion of the Congress, is calling national conferences in each industry by the Dominion government, and the subsequent establishment of national and plant councils as the plan is generally adopted.

Such far-reaching horizontal organizations that extend across a whole industry are not envisaged by the government officials who want to see labor-management extended.

A good parallel can be drawn with the situation in the United States. Labor-management committees are encouraged by Donald Nelson, war production chief, and hundreds of them have been set up with satisfactory results in American plants.

The same is true of Canadian committees. They offer suggestions relating to production matters; those suggestions may or may not be adopted. Control of the management over its plant policies is not affected.

Within the range of mutual interest subjects that experts say should come within the scope of the committees are such as:

(a) Changing of obsolete practices.

(b) Conservation of materials, tools and equipment.

(c) Elimination of waste effort.

(d) Elimination of unnecessary planning or routines.

(e) Encouragement of adherence to standard methods.

(f) Fullest utilization of capacities and skills of personnel.

(g) Protection of personnel and plant.

(h) Efficient transportation of materials, personnel and/or products.

(i) Simplification of handling, storing and moving materials and products.

(j) Improvement of design and use of tools and fixtures.

(k) Promotion of fuller understanding of the common interests and objectives of labor and management.

(l) Reduction of loss of time due to absenteeism, sickness, accidents or other causes.

(m) Promotion of educational, recreational and welfare activities.

Don't Discuss Wages

Wages, hours, conditions of work and similar matters are not included in the purview of the labor-management committees envisaged by government officials.

Where trade-union agreements are in force providing machinery for the handling of grievances, it is not felt that committees should assume any functions or attempt to interfere with the orderly operation of that machinery. However, labor-management committees are seen as being able to assist greatly in adjusting many causes of misunderstanding, friction and dissatisfaction before they reach the stage where they become grievances.

Good Relations Hinge

Whether or not the plant is union, non-union or a combination is not seen as influencing the function of labor-management committees. Viewpoint here is that good relations in industry are not primarily dependent on unionism or non-unionism, but upon right attitudes and the desire of the groups concerned to get along together.

It is pointed out that many different industrial relations plans have been developed and operated for a long time quite satisfactorily. They vary in details but two factors are common to all successful plans.

First factor is a definite policy. In smaller plants the employment and industrial relations policy may often be definite and clearly understood without being formally reduced to writing. In larger plants a written policy is viewed as desirable. This makes for a definite understanding and a clear application.

Second requirement is a definite channel of two-way contact between management and labor. Underlying philosophy of this factor is that there seems to be no way to maintain sound relations between management and labor without the establishment of suitable means of ensuring the constant, unhampered flow and counter-flow of information and ideas and the exchange, examination and reconciliation of views on matters of mutual interest.

It is claimed that the most effective and practical means of providing this two-way channel of contact is to be found in some sort of joint labor-management committee. Details of these committees are subject to local conditions, individual plant characteristics and existing organizations. However, there are some principles in setting up committees that are generally applicable throughout industry. These are shown in the accompanying panel.

Should Be Elected

One of the points most stressed is that the labor representatives should be elected by the workers. If plant managers arbitrarily select certain men to speak for the workers the scheme might still work out well, but the workers won't have the same direct interest. In addition, such a method comes close to a company union and that could lead to trouble with organized unions.

Similar schemes have progressed in the United States and Britain. Hundreds of war plants in the U. S. have such committees; for one example of many, it is claimed that at Colt's Patent Fire Arms Co., labor-management co-operation reduced the number of rejected machine guns from 17% to less than 1%.

British Set-ups

In Britain production committees have been set up in the Royal Ordnance factories owned and run by the government. Subsequently an agreement has been made between the Engineering Employers' Federation and the various trade unions in the engineering industries, to set up similar joint production committees in establishments not under government control.

As in Canada, the general idea of the British joint production committees is to provide channels for a regular interchange of views between employers and employees, relating to production. They are not executive bodies, but can make recommendations. Again as in Canada, it is recognized that an important function of the British committees is to stimulate enthusiasm for production, and disseminate information about what is being done by the company among the rank and file of the workers.

Seen Problem's Answer

Proponents of labor-management see in it the answer to a production problem that cannot be supplied simply by more machines or more workers. They point out that if all a worker on a mass production job does is slap a few rivets into a piece of metal day after day he is likely to look on his job as drudgery and will deteriorate into an automaton. However, if he is shown how important his job is in producing a finished tank, for instance, his enthusiasm is likely to be a good deal higher. That enthusiasm and feeling that he is a real part of the war effort would find reflection in increased production and decreased absenteeism.

To achieve that objective, those who have plans actually working say that ultimate dependence must rest upon the attitude of the employer. Paternalism is not productive of good relations. They declare that labor does not want to be spoon-fed. It wants to be treated simply as a necessary element in industry.

Since last November Research Enterprises Ltd. has had a labor-management plan in operation. At this vast plant, which turns out delicate war materials, representatives of workers from every department meet regularly with the management to talk over production problems. Experience of the plan in operation at this Crown company is reported satisfactory, workers get a more intimate idea of some of the problems of management. *—Jean Merrill photo for The Financial Post.*

Nine Rules For a Good Labor Council

As given to The Financial Post by an official connected with their development.

1. Labor representatives should at least equal in number management representatives and should be bona fide employees below the rank of foreman.

2. Labor representatives should be chosen in a democratic manner by secret ballot in a free election by the workers they are to represent with due regard for existing organized arrangements for such representation. Election should be by departments or natural divisions of the plant, or according to craft or some equitable separation into constituencies, rather than "at large" by the plant as a whole.

3. The presiding officer should be chosen by the members of the committee.

4. Each committee should have a secretary, appointed by it, to keep proper records.

5. Meetings of the committees should be held on company time and at company expense.

6. Some method of providing continuity by staggering terms of membership of employee members is usually found advisable.

7. Powers of committees should be advisory, since final decision and responsibility rests with management. Committee recommendations, however, should receive full consideration by management, upon whom an obligation rests to examine all proposals fairly and impartially and to give a reasonable explanation in case of non-acceptance.

8. Each plant's committees should be maintained as separate in all respects from those of other plants.

9. The government should not be a third party in the operation of the committees.

War Loan Tickets to Victory

By STAFF WRITER

OTTAWA.—Into the farm homes of rural Canada will march, in a few days time, an army of Victory Loan canvassers primed with a new and potent weapon for garnering the 1942 bumper crop of farm dollars.

The weapon is the Victory Ticket—a unique, imaginative device which sprang from the grass roots in western Canada and is now to be adopted by the National War Finance Committee as an auxiliary method of channeling farm income into the war effort.

In brief, Victory Tickets are a means whereby Canadian farmers, in addition to their cash purchases of Victory Loans or War Savings Certificates, may acquire bonds or certificates in exchange for farm produce at the time that produce is marketed.

No Down Payment

No down payment is required to purchase Victory Tickets. Farmer Johnston, who can afford only $100 in cash but who expects to market 10 or 20 hogs next December, can boost his Victory Bond purchases to $300 or $500 by merely putting a Victory Ticket on his pigs. Subsequently he tenders his pigs in payment for Victory Loans or War Savings Certificates. The deal is completed at the time his pigs go to market, and he gets an official seal to paste on his ticket, as well as the bonds or certificates themselves.

Behind the Idea

Behind the Victory Ticket idea is the common sense fact that most cash farm income, unlike most wages or salary payments, is seasonal and irregular. Many farmers will have, in 1942, a capacity to purchase Victory Bonds or War Savings Certificates considerably beyond their cash resources at the date the canvasser comes round to talk Third Victory Loan.

The ticket is not a commitment to purchase a stated amount of bonds. It is an agreement between the farmer (or any member of his family) to purchase bonds or certificates with the proceeds of the sale of certain quantities of farm produce at the time that this produce would normally be marketed. The transaction may be completed at any time between Oct. 19 and Feb. 28, 1943. If the proceeds of the sale are, say $192.50, the farmer will receive $150 in Victory Bonds and the balance in War Savings Certificates and War Savings Stamps. Or he may take the whole amount in certificates if he wishes, so long as his total purchases of certificates does not exceed the individual limit of $600.

Another sales wrinkle is the combining of patriotism plus self-interest in an approach which will link war loan sales with the purchase of needed equipment and repairs such as can be deferred or can only be made after the war is over.

Part of the money which farmers receive from the sale of their products is properly looked on as money to be set aside to replace old tractors, binders, farm buildings. In a time of rising farm income such as the present, many farmers would normally be spending a considerable amount of money—possibly in aggregate over $100 millions annually—in this manner.

But little, if any, farm equipment is now available either for replacement or expansion. Existing barns and equipment must be used with the minimum of replacement and repair.

This is where the Third Victory Loan campaign will mesh into the farm picture by urging the sound business practice of earmarking say a $300 Victory Bond for the purchase of a new tractor at war's end. Bonds will be sold in terms of specific farm needs—tractors, binders, local improvements, etc.

For the housewife, the same appeal will be used in terms of washing machines, refrigerators or other household furniture or equipment.

700,000 Farmers

It is hoped eventually to get the majority of Canada's 700,000 farmers making a regular commitment to set aside all or a portion of cash income from certain types of produce for the purchase of Victory Loans or War Savings Certificates.

The initial programme which will be introduced this month, of selling "Produce for Victory," will be supplemented by a programme which will encourage the farmer to "produce for Victory."

Such a programme will encourage extra production—a few dozen more eggs each month, a little more milk, a few more hogs—the proceeds of which will be turned into Victory Tickets and at the same time will add 10, 15 or perhaps 25% to the amount of farm production available for Great Britain or for Canadian wartime consumption.

It is possible that some way will also be found of encouraging Canadian farmers to use their government subsidies in the direct purchase either of Victory Bonds for cash or by means of Victory Tickets.

Total farm income in 1942 is placed at somewhere between $1,000 and $1,100 millions. This compares with estimated income of about $875 millions in 1941, $740 millions in 1940, $710 millions in 1939 and $650 millions in 1938.

To tap the sharply increased income of Canadian agriculture, a new plan has sprung from the grass-roots of the west, has been adopted by Canada's Victory Loan chieftains. Its main virtue: that it gears bond buying to the rise and fall of seasonal farm incomes.

Succession Duty Under Fire

Present Levies Can Leave Beneficiary in Debt

Examination of certain situations that develop under the laws, shows that existing succession duty regulations may result in great hardships to beneficiaries of moderate means.

Examples of this are to be had among people left annuities. These annuities are subject to both Dominion and provincial succession duties, and the weight of the duty itself, the method by which the rate of duty is computed and the tax collected, may wipe out the benefit intended.

Depends on Will

This is most likely to occur when the will disposing of an estate makes no provision for the payment of the succession duties. According to the laws of both the Dominion and the provinces, the beneficiary of an estate is responsible that the death duties be paid on the bequest left him. If the will does not provide for the payment of these taxes, the beneficiary can be forced to pay. Where the will provides that all succession duties be paid out of the estate before the bequests, the problem does not exist. But a great many wills make no such provision.

Burdensome Features

In cases where payment of the death duties falls on the beneficiary, features of the Canadian succession duty acts which tend to make the burden especially heavy are:

(1) The rate of duty is set not only by the relationship of the beneficiary to the owner of the estate, but also by the size of the estate. Thus an individual beneficiary who is left an annuity of say, $2,000 a year from an estate worth $1 million, and who is responsible for paying the duties, will pay a considerably heavier tax than one left an annuity of an equal amount from an estate worth $500,000, provided the relationship to the deceased is the same.

2. For succession duty purposes the annuity is capitalized on the life expectancy of the beneficiary and this cannot be varied although he may live for only a few months and may not receive more than a very small part of the bequest.

(3) The succession duties must be paid in four annual installments, irrespective of the period over which the annuity is likely to run.

May Take All

In some cases, the death duties in the first four years after the death of the estate owner may take the full amount of the annuity. When income taxes are added, the combined levy may actually exceed the entire income of the recipient leaving him or her without any income at all.

Some examples of how beneficiaries left an annuity may suffer hardship were given by Joseph Harris, M.P., in the House of Commons in the last session of Parliament. References by Mr. Harris and data gathered elsewhere supply the following examples:

Case of a Widow

A widow aged 61 is left an income of $10,000 a year from an estate of $250,000. The capital value of the annuity, based on her expectation of life, is estimated for Ontario succession duties at $109,200 and for the Dominion at $119,750. The Dominion tax is computed at $7,808 and the Ontario at $14,300, making a total tax of $22,108, payable over four years or $5,527 a year. If income taxes amount to $5,452 a year including surtax, the total payable each year including succession duties and income taxes would be $10,979 with the résult she would have a deficit each year.

In the case of a person once removed from direct lineage with the deceased, say a niece, the succession duties are higher in both the Dominion and the provincial schedules than in the case of a widow.

Niece of 35

A niece aged 35 receiving an annuity of $3,000 a year from an estate worth $250,000 is another case in point.

The annuity is capitalized for the Dominion at $54,307. The succession duty is $5,050. In Ontario the annuity is capitalized at $47,646 and the succession duty $9,116. A total of $14,166 in succession duty has to be paid in four annual installments of $3,541 each.

Income taxes in this case based on the new schedules would appear to be $1,124 including surtax. This means a total of $4,665 to be paid by the niece each year for the first four years in order that she might receive for life an annuity of $3,000. Thus for those four years, the niece would be liable for $18,660 in taxes, while she would receive $12,000 from the annuity, leaving her with a deficit of $6,660 payable to the taxing authorities. Meanwhile, she has not had a penny of benefit out of her annuity. If in these cases the tax were paid by the estate as a whole, the government, it is claimed, would be no poorer while the beneficiary would receive the benefit of the annuity. Even if the tax were paid out of the estate, however, it would still be a tax on the annuity.

Grotesque Results

The effect of the rate of duty on a specific bequest being set by the size of the estate also has unfortunate results.

For example, two nieces, one left an annuity of $5,000 by a relative with an estate of $200,000, and one left an annuity of $5,000 from an estate worth $100,000. Both the girls are the same age. In each case the annuity is capitalized at the same amount by both the Dominion and the provinces.

But the rate of duty on the estate of $200,000 would be much heavier than that on the estate of $100,000. Accordingly, one girl would pay a higher tax than the other, although both were receiving exactly the same annuity.

No Relation

Supposing the beneficiary is no relation of the estate owner, say a secretary of 45 left an annuity of $2,000 a year. This person is still working, earning $50 a week or, in round figures, $2,500 a year. The estate is valued at $1 million.

The income tax on $2,500 a year, in the case of a single person would be $826. On the total income including the annuity, it would amount to approximately $1,878. The increased income tax on account of the annuity is $1,052. Thus, in order to receive the annuity of $2,000 from the employer who had died, the individual pays $1,052 more than she would have paid had she not received the annuity.

In this case for succession duties, the annuity of $2,000 is capitalized by the Dominion at $31,365. The succession duty on that amount is $3,465. In Ontario the annuity is capitalized at $28,976, and the succession duty $12,664. In this connection, Mr. Harris in his remarks in the House of Commons said: "In other words, the total succession duty on that portion of the estate which is lifted out from the capital sum of the estate to provide an annuity of $2,000, amounts over a four-year period to $16,129." One quarter of that or the annual payment for each year of the four years is $4,032. The increased income tax resulting from the receipts of that $2,000 is computed at $1,052 with the net result that the individual in order to accept the $2,000 annuity for the balance of her life from the age of 45 has to make four annual payments of $5,084 out of a salary of $2,500 and an annuity of $2,000.

Payable for Four Years

This heavy tax is payable only for the first four years, but it is sufficient in this case to put the recipient in debt. Her annual income is $584 less than her tax bill without allowing her anything to live on.

Another possibility that might arise is if the secretary in this case dies at the end of two years after the annuity starts. Unless special provision is made, the annuity dies with her. But her estate may be liable for the total amount of succession duties due.

Suggested Remedies

It is contended that these injustices could be overcome to some extent at least by—

(1) Making sure the succession duties would be paid out of the whole estate rather than out of the individual bequest; or

(2) By making the duty payable in annual installments over the life expectancy of the individual.

The first plan while not relieving the annuity of taxation would relieve the annuitant of the burden and give him or her the benefit of the full amount left of the estate.

The second suggestion would bring the annual amount of the tax into more reasonable proportion with the amount of the annuity and in case the individual should die soon after the annuity began, the amount of tax collected on the annuity would be in more direct relation to the benefit actually received.

The possibility that an annuity might bring hardship instead of benefit to a beneficiary emphasizes particularly the need of making provision for succession duties when making a will.

Pulp and Paper Taxes Show Increase of 2,192%

From Our Own Correspondent

MONTREAL.—Provision for income and "excess" profits taxes by 21 pulp and paper companies last year reached the highly impressive total of $19,507,783. The year before $7,898,047 was provided and in 1939 only $850,912. Thus since the start of war the tax bill of these 21 companies has increased by 2,192%.

The accompanying tax summary must be considered as the minimum which these operators will pay into the Dominion treasury. When the new war taxes were first applied the industry appealed to the government as a depressed industry. There was no difficulty in securing that rating, which entitled the individual companies to special tax treatment.

The income and "excess" profits taxes provided by the operators does not by any means cover all the payments they make either to the Dominion or provincial treasuries. There are sales taxes, capital taxes and a score of other imposts, direct and indirect, which add to the costs of manufacturing pulp and paper.

	1941	1940	1939
Bathurst	$ 612,298	$ 504,418	$ 16,238
B. C. Pulp	1,500,000	850,000	9,200
Brompton	532,628	302,940	63,798
C. I. P.	*6,228,989	603,470	6,303
Consolidated	640,000	407,700	....
Corrugated	94,622	44,454	23,518
Donnacona	78,700	69,918	2,246
Dryden	25,000	....	....
Fraser Cos.	2,000,000	310,500	....
Gair Co.	315,224	400,012	66,142
Great Lakes	480,000	400,000	64,000
Hinde & Dauch	635,000	300,000	60,000
Lake St. John	70,000	61,000	....
M. & O.	1,594,554	92,086	....
Mersey	157,047	87,671	....
Price Bros.	1,250,000	1,000,000	58,000
Provincial	400,000	280,000	105,000
Rolland	174,653	72,109	41,598
St. Lawrence Paper	325,000	267,076	....
Howard Smith	2,334,068	1,794,693	300,369
Westminster	60,000	50,000	34,500
Total	$19,507,783	$7,898,047	$850,912

*Includes $2,223,831 for prior years.

Womens Part-time Work Helps Speed Production

Women who can spare a few hours a day from their household duties are increasing the efforts to speed up production in British war factories. These part-timers work on shifts of from two to six hours, scheduled to fit in with their domestic routine. To the factories this plan for part-timers is a godsend. Full time women workers are becoming scarce because of the increasing calls for the 20 to 30 age groups in the services.

Fatigue slow-up goes as part-time employment rises. Part-timers are valuable in that they relieve full time workers periodically, giving them freedom for a rest period each week.

Light assembly is the most suitable type of employment for part-timers. Time units can be divided as small as two hours per shift. Some assembly workers go on from 7 to 10 p.m. after the normal day shift is over. Little additional supervision is necessary. Each operation in an assembly line is comparatively simple.

The part-time system is said to have few drawbacks. The chief difficulty is working out a high degree of organization so that the part-timers will be kept fully employed.

SCIENTIFIC PACKAGING

The United States army recently announced that it was, in effect, building ships. It was doing this by scientific methods of packaging which reduced the bulk of thousands of items, from canned food to 40-ton trailers, being shipped overseas. The result was an overall saving in cargo space approximating 10%. This saving, the army pointed out, was equivalent to new ships.

Canada Faces Reduction Of Materials From U. S.

Indications at Washington Are That Dominion Will Have to Up Her Own Output of Supplies and Place Allocation on Stricter Basis

Special Correspondence

WASHINGTON.—Canada faces a critical test of her ability to manage a balanced war production programme in the current quarter and the first three months of 1943.

This is because the Dominion must expect sharp curtailment in certain vital materials she has been able to import from the United States to supplement her own production and keep deliveries of finished munitions rolling. Canada must make up these deficiencies either by stepping up the rate of her own production or reducing civilian supply.

Actual figures on the reduction in U.S. allocations for Canada are not available but an over-all reduction in all allotments has been ordered by the Priorities Requirement Committee of the War Production Board for the current quarter.

Most important will be a reduction in shipments of carbon steel.

When Donald Nelson announced recently the continuance of the much-criticized P.R.P. plan, he said requests from all claimants, exclusive of export requirements, for carbon steel totalled 15.4 million tons in the current quarter. The estimated supply after allowing for export and contingencies was 11.1 million tons. It was necessary therefore to cut the over-all requests by 4.3 million tons. Canada had to share this reduction. To keep our shipyards moving, our plants in operation, the Dominion has to make up this deficiency at home.

Where Canada Fits

So far Canada's requests have received favorable consideration. The Dominion still enjoys technical equality with U.S. firms under the Production Requirements Plan, which will shortly give way to a new system of direct allocation of materials rather than distribution under priorities. Even now the War Production Board has recognized the fact that any cut in Canadian requirements is reflected more directly in Canadian production of finished munitions than a similar cut in the U.S. and for that reason the representations of Munitions and Supply have won many special concessions.

The difference between the Canadian situation and that applying here is that in the U.S. an important proportion of critical materials is still being diverted for new plant construction. In Canada this is rapidly diminishing and probably within a few months will be reduced to the vanishing point. Relatively more material goes into finished munitions in Canada than it does in the United States.

In the second place, Canada's production is in balance. That of the U.S. is not—as Donald Nelson, Chairman of the War Production Board, has made clear in public statements.

What does in balance mean?

In Canada, after three years, factories are turning out finished munitions on schedule. Shells do not lack fuses or explosives. Each month we are able to meet our schedules without finding we have, for instance, several thousand shell casings overstocked without either fuses, caps and the many little things that are needed to complete them. Although the over-all capacity and production of the United States is many times that of Canada, a completely balanced production has not been attained.

This is not a reflection on American planning. The United States has been at war only since Dec. 7 and it takes time to swing such a vast effort into line. Slowly it is getting there. But how difficult it has been to bring it into balance is indicated by the fact that Mr. Nelson only last week boasted that for the first time total demands for all materials covered by the Production Requirements Plan had been adjusted to the estimated materials supply during the fourth quarter.

This meant a scaling down of all requests, including those of Canada, a sharp paring of non-essential military and civilian requirements—the first move in stripping down of the fat in North American industry which never before has faced a real shortage of materials.

In the long run this must mean the end of priorities. Something very much like inflation killed priorities as an effective instrument of material control. There were too many issued—far too many for the supply of materials available. Already the outline of the new system are shaping up.

New Supply Plan

Instead of priority certificates that can't be "cashed in," it is expected that the War Production Board will issue some kind of an order which will mean actual delivery of enough material to meet the munitions contracts. Beyond that, on a broader scale, it is believed the Combined Production and Resources Board, of which Canada is to become a member, will conduct a census of all the British Commonwealth nations to determine what materials they can supply and the extent to which their facilities and resources can be mobilized on a truly global scale.

But for the next six months Canada must face the fact that there will be less steel, less of nearly everything she has been obtaining from the United States, to keep her own programme moving. This tests the whole management of the Canadian system; probably foreshadows restrictions much more drastic than previously announced and a concentrated effort, particularly in the steel industry, not only to hold production at present levels but increase it as much as possible.

FOUR IMPORTANT BOOKS
by
Molyneux L. Gordon, K.C.

Digest of Income Tax Cases of The British Commonwealth of Nations. Published by The Department of National Revenue, Ottawa, 1939, with a foreword by C. Fraser Elliott, K.C., Commissioner of Income Tax. Bound in buckram $3.00

Supplement 1937-39. Bound in buckram 4.75

Supplement 1939-42 (to be published April, 1943)

Digest of Excess Profits Tax Cases of The British Commonwealth of Nations, 1942. Bound in buckram 6.75

Any of the above works may be obtained at prices quoted, postpaid, on application to

THE FINANCIAL POST, TORONTO, CANADA

War Loan Market Assured

Spinney Asks Corporate Leadership in Campaign

Assurance of continuing marketability for Victory Loans was given this week by G. W. Spinney, chairman of the National War Finance Committee. He said the committee had sensed some recent confusion of mind on the part of large corporate investors. To these investors Mr. Spinney said:

"Let me say as forcefully as I can that we need your leadership. We want you to buy bonds to the maximum amount which you can manage. Lest anyone has doubts on the point, let me say further that there is no intention to moderate the stress we have in the past laid upon ready marketability of Dominion of Canada bonds. Let me state without equivocation that this committee can with complete assurance continue to recommend Victory Loan bonds on the basis of their having a ready market at all times. This is a fundamental upon which the Minister of Finance has given public assurances from time to time and there is no thought of any change in policy under this heading because it is fully realized that destruction of marketability would kill distribution."

Should Retain Bonds

Mr. Spinney stressed, nevertheless, that there is a real need for holders to retain their bonds unless and until urgent reason for selling arises. During August and the early part of September there was a substantial acceleration in redemption of War Savings certificates and in the sale of Victory Loan bonds, particularly in those of small denomination. Mr. Spinney declared that a bond or certificate should be bought with the determination to leave the money with the country at least until the war is over. That help, or part of it, should be withdrawn only when it is found that in spite of all self-denial more bonds have been bought than can be paid for or if an unexpected emergency arises.

He struck at rumors, such as that the government will freeze bond holdings and prevent individuals from selling them in case of need. He said that there is no truth in this nor can there be in the very nature of things.

Another rumor is that all or part of the savings accounts in banks will either be frozen or confiscated by the government. The Minister of Finance has denounced this story as the work of falsifiers and subversive agencies.

Postwar Tax Cut

Mr. Spinney said that there is no rightful basis for believing or expecting that present high tax rates are here to stay. Our tax bill today is around $2 billions. Before the war it was $500 millions. Interest on our public debt now amounts to some $175 millions. This will be increased by say $25 millions by the Third Victory Loan. Mr. Spinney went on:

"If we have six or seven, or even eight, more Victory Loans before this awful business is over, our tax bill, assuming other costs on a prewar basis, would still be substantially short of, let us say, half the present levy—and let us not forget that the money will be owed to our own people and that the strain in meeting the interest in peacetime need not be anticipated with any degree of concern."

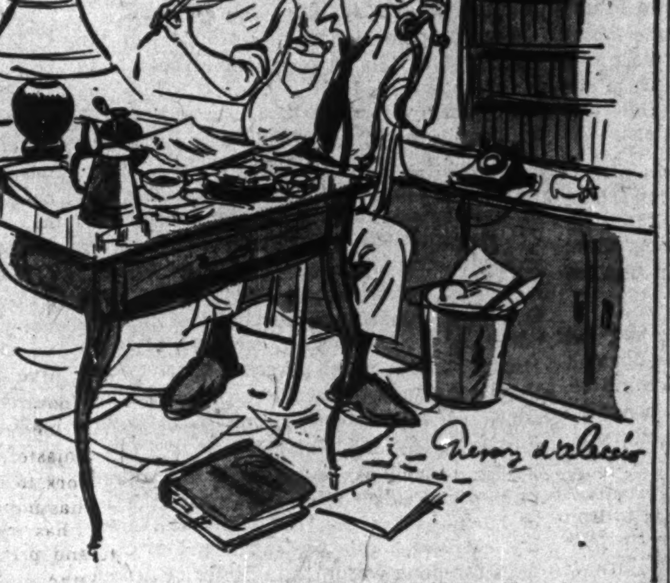
He expressed the view that if Canadians save like they have never saved before, the postwar cushioning process will largely take care of itself, because after long deprivation a demand for consumer goods will not only come actively into play but the people, through their savings, will have the money to pay for them. "I am satisfied," he added, "that the very logic which calls for high taxes in war years will dictate a reversal in postwar years."

To Stop Inflation

Even with today's heavy rates, Mr. Spinney pointed out, taxes fall short of this year's requirements by some $1,800 millions. War costs must come out of the people's living in one way or another. If they do not come naturally, directly and currently by taxation and borrowing, they will come by way of price inflation.

Mr. Spinney noted that there are more people working in Canada now than ever before. The national income is tremendously greater, and is diffused over many more people, in weekly wages. He declared:

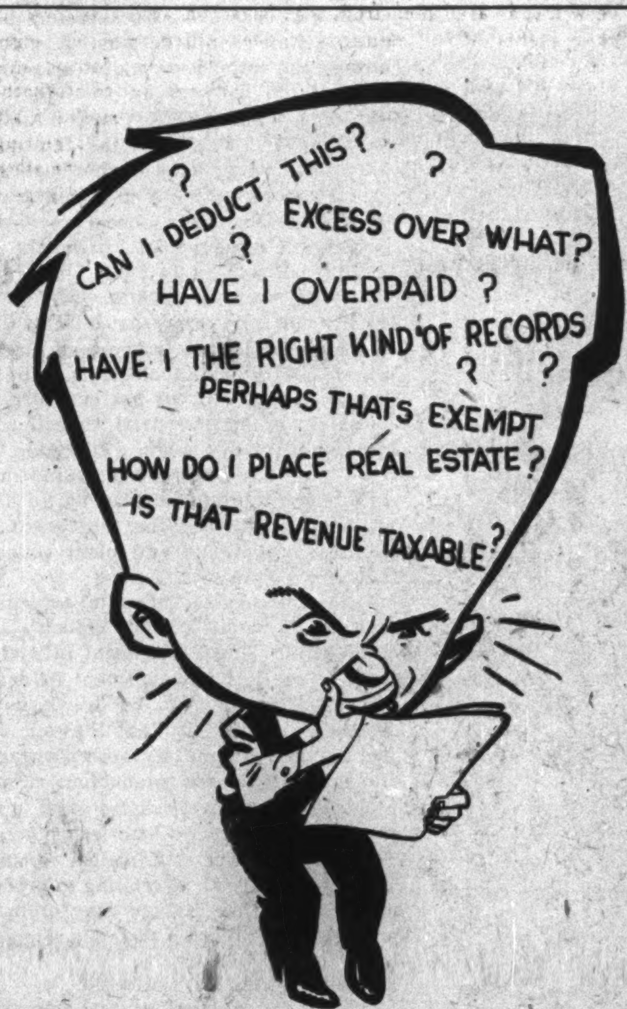
"In this field, as in all others, spending can hamper Canada's war potential—but wise saving and investment in war securities from the payroll field can give tremendous impetus toward that victory which is our most ardent desire."



—Drawn for U. S. Office of War Information.

"Sorry, Mr. Miller, that play I promised for next week won't be ready till Fall. I turned my typewriter over for Government use."

'DOMINION' Envelopes
OF EVERY DESCRIPTION
DOMINION ENVELOPE CO. LTD.
TORONTO
PHONE EL.7271
BRANCHES
MONTREAL WINNIPEG


CAN I DEDUCT THIS?
EXCESS OVER WHAT?
HAVE I OVERPAID ?
HAVE I THE RIGHT KIND OF RECORDS
PERHAPS THATS EXEMPT
HOW DO I PLACE REAL ESTATE?
IS THAT REVENUE TAXABLE?

Are These Questions Bothering You?

THEN START READING

The Post's Articles on Income Tax

This issue of The Financial Post contains the third of a new series of articles on Income Tax, with special attention to its application to business. . . Written exclusively for The Post by Molyneux L. Gordon, K.C., well-known authority on taxation.

Some of The Questions To Be Answered

How to get all the exemptions to which you are entitled.
How to protect your savings for your heirs.
How to start a new business so it will not always be overpaying taxes.
How the "small business" enterprise should be established.
How to keep records that will help you pay your taxes properly.
How to handle real estate.
How to pay taxes on "lucky breaks" or fortuitous income.
How to compute the Excess Profits Tax.

20 Weeks by Mail for $2.00

Subscription price of The Post is $5 per year. If you are not already a subscriber by mail and would like a trial subscription covering the period when the tax articles will be published, send two dollars for twenty weeks.

THE FINANCIAL POST 481 University Ave., Toronto, Ont.
Send me The Financial Post for the period marked at right. 1 Yr. $5.00 ☐ 20 Wks. $2.00 ☐
Herewith $..............
Name ....
Address ....
Occupation 583

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
4. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Canada Starch

Will you be good enough to let me know your opinion of the shares of Canada Starch Co., both preferred and common.

Canada Starch Co. is one of the principal operators in its field. Financially, the company occupies a strong position and its earning power has been well developed. Over the last three years, earnings on the preferred stock have averaged around $11 a share annually, as against dividend requirements of $7 a share.

Due largely to increased provision for income tax, earnings on the common stock last year dropped to $1.86 a share, as against $2.28 the year before. Gross income was substantially higher. In so far as the common dividend is concerned, earnings are well in excess of requirements.

Tip Top Tailors Inc.

When did Tip Top Tailors Inc. go into liquidation? What will preferred shareholders get out of it?

Tip Top Tailors Inc. has been in liquidation since Nov., 1940, when it was placed in bankruptcy by an order of the U. S. Federal Court in Newark, N.J. One of the major factors contributing to the company's difficulties was the foreign exchange situation which made the transfer of capital by the parent company in Canada difficult. Labor conditions in the area served were also unfavorable, and general business conditions, aggravated by the outbreak of war, added to difficulties.

We are informed that it does not appear likely that the preferred shareholders of the American company will receive anything more than the dividends which have been guaranteed by the Canadian parent company up to Jan. 30, 1944.

Geo. Weston

How has Geo. Weston Ltd. been holding up under higher taxes and various restrictions?

George Weston Ltd. earned 59 cents a share on its common stock in the first half of this year as compared with 50 cents a share in the corresponding portion of 1941. This is after estimates for income taxes, but the new higher rates in Canada only apply from July 1 this year. Their effect, therefore, will not be reflected in any reports of the first half of the year. This company has been paying dividends on its common stock of 80 cents a share, a rate which has been covered by a good margin from net profits in recent years.

Operations are facing increasing restrictions of which the reduction in sugar consumption to 70% of the previous year, curtailment of deliveries and similar changes are good examples. Evidences that this company, like other baking concerns, is experiencing some difficulty in supplying customers with all they desire of certain lines of its sweet biscuits has become evident. Increases in difficulties can be expected during the wartime, but they should not be too embarrassing.

Can. Breweries

Does it appear that Canadian Breweries will be able to pay the regular $3.40 dividend rate if it is allowed to retain only 70% of its standard profits?

As indicated by the quarterly statement for the period ended July 31 last, for Canadian Breweries, standard profits have not yet been determined finally. In its statement, the company calculates its income taxes at prevailing rates subject to the determination of standard profits. Indications from the statement for the nine months ended July 31, 1942, are that the company will be able to earn the regular $3.40 a share dividend for its preferred stock this year as it reported $2.88 a share for the nine-month period. New tax rates, however, becoming effective July 1 should limit further gains.

It is believed that sales of beer have not suffered as yet from wartime restrictions, but there is no guarantee that more serious effects will not develop before long. One example may be deliveries where certain restrictions are already in effect. Unless more serious restrictions are applied than is now the case, it seems likely that this company's operations will continue at a scale comparable with that now prevailing.

Moose Jaw

In touch with Moose Jaw officials, I have received an offer of $37 for each $100 bond I hold. Does this not appear to be an unreasonable sort of arrangement?

In 1940 city officials of Moose Jaw, Sask. suggested that bondholders of the city accept settlement for the defaulted principal and interest on their bonds on the basis of $37 for each $100 bond. This proposal was greeted with a considerable amount of protest from bondholders.

The Moose Jaw debenture holders committee has described the offer as following closely "the pattern of the city's past efforts in attempting to justify its failure to meet its obligations and in attempting to evade payment of them in the future." We are advised by the committee that there has been no change in the situation. It is claimed that the Moose Jaw city officials absolutely refuse to enter into negotiations over the debt situation and that on this account, no progress can be made.

St. James

Is there any change in the debt situation of St. James, Man.?

In 1937 the St. James Municipal Council instituted a 5-year plan which provided for payments to bondholders of 2/3 of the annual surplus between receipts and expenditures with the other 1/3 going towards bond redemption.

At that time, the debt stood at $3.7 millions with $1.4 million accrued interest. The municipality's net debt at the end of 1941 amounted to $2.9 millions.

The 5-year plan expired at the end of last year and a commission is now studying the St. James debt situation to arrange a permanent debt settlement plan.

While there is nothing definite to report at the moment on these negotiations, we are informed by interested parties that a letter dealing with the situation is expected to go forward to debenture holders within the next month or two.

Can. Power & Paper

Can you give me any information on Canadian Power & Paper Investments? Will a dividend be paid on same in the near future?

Canadian Power & Paper Investment's position has not undergone any major change, though it is noted there is a slightly better market for debentures. Over 50% of its holdings are in public utilities and 2% in pulp and paper securities. The major part of the total holdings in these groups is in Power Corp. of Canada and Bathurst Power & Paper. In the fiscal year ended Oct., 1941, net earnings were just sufficient to cover debenture interest and exchange. The equity then was $802 for each $1,000 par value of debentures outstanding. As there has been little or no income available on the capital stock for several years past, prospects of a dividend are not encouraging.

Three Rivers Grain Retiring 5½% Bonds

From Our Own Correspondent

MONTREAL. — Three Rivers Grain Elevator Co. has called all of its outstanding 5½% bonds of 1951 for redemption on Nov. 1 next at 102 2/3 plus accrued interest. As at April 1 last there were outstanding $275,000 of these bonds, the company having by purchase on the open market reduced the total to that level from the $400,000 mark.

BURT

CONTINUOUS INTERLEAVED FORMS

provide the fastest possible means of obtaining multiple copy records on typewriters, billing machines and tabulators.

Let us explain how you can speed your part in Canada's all-out industrial effort by using these forms.

BURT BUSINESS FORMS LIMITED
WESTERN SALES BOOK CO. LIMITED
Offices in all Principal Cities
Subsidiaries of
MOORE CORPORATION LIMITED
Toronto, Canada

Buy War Savings Certificates

SYSTEMATIC SAVING BEST

Determine the amount of money you intend to save, and budget your controllable expenses accordingly. We'll help you. Open a Savings Account with us. Your money will be available at any time it is required. When you subscribe to a war purpose or a government loan, issue your cheque and keep within your budget.

CANADA PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $66,000,000.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1941), $12,531,188

War Hits Private Schools

Feel Impact of Teacher Shortage, High Taxes

By IAN SCLANDERS

Canada's private schools are facing problems which grow increasingly difficult, The Financial Post finds from a survey among headmasters.

Even more than public schools, private schools for boys find the shortage of teachers acute. Most of them need male instructors who, in addition to teaching, can supervise dormitories and sports. Private schools for girls escape the staff problem but share the others.

Endowment revenues of schools which have endowments in the form of common stocks have been cut by new taxes. The new taxes also make it harder for parents to finance boarding school educations for their youngsters.

Generally speaking, the schools have not increased their charges, but their operating costs have risen sharply, so that balancing budgets is far from easy.

Headmasters feel that these schools have a vital wartime role in educating and molding the character of youngsters whose fathers are on active service and whose mothers may be engaged in war work.

Proud of Record

All of them are proud of the record of their students. They point out that the rate of enlistment by graduates of private schools is higher than average, that many hold key posts in army, navy and air force, and that quite a number have already won decorations.

Most headmasters believe the government should take steps to prevent the ranks of capable teachers from being further depleted by the armed forces.

D. S. Penton, headmaster of Lower Canada College, Montreal, is of the opinion that as long as private schools keep trying to do a better job, they will not have to worry about the future. Lower Canada has lost four masters through enlistment, found three well-qualified married men to replace them, and all masters are doing a little extra work to make up for the man who has not been replaced. This school has women teachers for junior and preparatory departments, although men look after the games, physical training and discipline.

Teacher Shortage

Mr. Penton holds the view that "the withdrawal of men from the higher grades of the elementary schools, and the lower grades of the high schools, is a bad mistake at this time" because "in so many homes the father is away on active service and a boy from the age of 11 upward is not satisfied with feminine discipline." He points out that juvenile delinquency increased between 1914 and 1918, and has increased again since 1939.

Ridley College at St. Catharines has lost 12 younger members of its teaching staff, but replaced them with men rejected by the armed forces as physically unfit. H. C. Griffith, the headmaster, states that all department heads are beyond military age.

"The way the staffs of boarding schools, collegiate institutes and universities have been depleted is very serious," he told The Post. He thinks this is a subject to which selective service officials should give some study.

Some of the older Ridley lads who normally would have returned to complete their studies, have gone into the air force instead. Hundreds of Ridley "old boys" are now in the armed forces. At least four of them fell at Dieppe.

"There is no question of conscription as far as our boys are concerned," Mr. Griffith said. "As soon as they reach military age, they join up."

Trinity College School at Port Hope has lost six masters to the armed forces thus far, and two or three others may leave this year.

"As I see it," states P. A. C. Ketchum, the headmaster, "the serious side of this question is that many hundreds of teachers have enlisted in Canada whose places cannot be properly filled, and as we need trained young men and women immediately for most important tasks, and will need them more and more in the future, such shortage in our schools should be taken very seriously. . .

Tax Impact

'So far, we have been able to replace masters, but as men are often called at a moment's notice, when they have previously been told that there is no possibility of their services being needed, it is often extremely upsetting to their work."

Trinity has a full school and quite a large waiting list. At the same time Mr. Ketchum believes that "undoubtedly the new income tax will have its effect on the enrolments of private schools," and foresees "a steady falling off in future years."

Trinity has more than 500 "old boys" on active service; 12 have been killed in action; eight have been decorated for gallantry.

The headmaster of another noted old school also calls attention to the difficulty of getting staff. "It is not possible," he states, "for a private school to engage women to take the place of men because the nature of the work in addition to teaching (supervising dormitories, sports and so on) requires not only men, but men who are physically fit. This puts us in a very difficult position, but we are all trying to carry on.

"The impact of high taxation has indubitably affected many parents. In cases where income is no higher than it was last year, many parents have been hard pressed to maintain their boys at school. I think it is possible that there may be a certain 'wartime prosperity' which in some way compensates for this, however, and the enrolment of this school, at least, has been very satisfactory.

"There is a problem in the fact that costs of living have risen rapidly and, therefore, the cost of maintaining boys at private school has become much greater. But because of the increased income tax we, and I think other schools, have decided not to raise the fees. This means every school at present must, of necessity, operate at a very narrow margin."

Joseph McCulley, headmaster of Pickering College, at Newmarket, Ont., emphasizes the importance of preserving the structure of education which has been built up in Canada. "I feel that both the public day schools and the private boarding schools have a real function to fulfil," he says. "The boarding school serves certain parents by reason of the facilities it offers in the care of children for 24 hours a day seven days a week."

He notes that "the tasks that will confront the children of today in the postwar world will be tasks of extreme gravity, for which they should have the best possible training. This cannot be given by inferior teachers."

Like other headmasters, he feels that little consideration has been given the educational setup in Canada's manpower regulations. "Teachers have been granted some postponement under the National War Services Act, but generally only until the end of the term or the end of the school year."

Although Pickering is a comparatively small school, which up to last year had never had a total annual enrolment of more than 110 boys, it has more than 225 graduates on active service — a notable record.

At one school studied by The Post, endowment revenue for bursaries and scholarships, which comes from common stocks, is down 60%. According to the headmaster of this institution, "there is no question but that the new taxes are going to make it extremely difficult for parents to finance the boarding school education. Many of them very apparently anticipate making any necessary sacrifice to enable their sons to continue their education."

"Our teachers feel the most important piece of war work they can do is teaching," states Miss Edith M. Read, principal of Branksome Hall, Toronto.

The high taxes have meant that some of Branksome's students have had to drop out, although not so many as Miss Read expected. At the same time there have been many enrolments by new girls, and this year's school may be the largest ever. Courses of the institution have been altered to meet new conditions and fit girls for the new vocations which are opening up.

Miss Read believes many parents are making sacrifices to send their youngsters to private school because they feel, in view of the changes war is making in the economic and social structure, that a good education is perhaps the only permanent asset they can give them.

Topping $1 Billion Mark Farm Income at New High

Net Income, After Expenses, Expected to be $500 to 600 Millions — Twice That of 1938 With Gains General But Livestock Prominent

By KENNETH R. WILSON

OTTAWA. — Announcement recently of the first official crop estimate for 1942, and a statement that cash income from sale of farm products in the first six months of the year had soared to nearly $400 millions gives support to the belief that in the present year Canadian farmers will report the highest cash income in the country's agricultural history.

Present expectation is that total cash receipts from the sale of farm products will reach $1.1 billions or slightly more than the previous record of 1928 and nearly 60% above the 1939 total of $700 millions.

Twice 1938 Income

It is believed that the net cash income—apart from income in kind and after allowance for estimated cash expenses—will be between $500 and $600 millions or almost double the amount received by Canadian farmers in 1938.

Final reckoning will depend to a considerable degree on the amount of wheat which farmers will be able to deliver in the present year. The wheat crop this year is estimated now at an all-time record of 615,243,000 bushels or almost double the 1941 outturn, but lack of storage space and markets will make it difficult for this to be turned into cash in the current year. In a normal year the cash return from a crop of this magnitude would be up in the hundreds of millions of dollars once the grain was harvested. Minimum prices for wheat, however, are 20 cents higher per bushel than last year.

One reason Ottawa is tremendously interested in the big farm income figures is the impact of this purchasing power on the forthcoming Victory Loan. Extensive plans are under way to reach into the farmers' pockets in a manner not hitherto attempted and to make the Canadian farmer one of the important backlogs of the forthcoming campaign.

Gain General

The estimated cash income for the first half of 1942 places farm cash at $399.2 millions compared with $343.3 millions in the same period of 1941, and 259.3 millions in 1940. The most important feature of the 1942 returns is the substantial increase in returns for livestock and livestock products. Income from cattle and calves rose from $53.8 millions in the first half of 1941 to $76 millions in 1942. Income from hogs rose from $62.8 millions to $89.3 millions in the same period. Dairy product cash receipts rose from $70.2 to $97.4 millions.

Greatest percentage of Canada's cash farm income is usually received during the last six months of the year when marketings of grain and livestock are at a high level. In 1941 total cash income for the year was $876.5 millions, of which 39% has been received up until the end of June. In 1940, when there was a more normal distribution of income from wheat, only 35 per cent of total income for the year was received during the first six months.

Southland Paper Has Priority Trouble

From Our Own Correspondent

MONTREAL. — Southland Paper Mills, operators of the only newsprint mill in the Southern United States at Lufkin, Texas, may not be able to complete the extension to its mill.

Several months ago the company, in which members of the Southern Newspaper Publishers Assoc. have an interest, undertook to enlarge the mill. The work is nearly 90% completed, but because of lack of priorities, 140 tons of special steel needed for its completion are not available. Small amounts of aluminum, rubber, copper and other materials are needed also.

Officials claim that the steel, which cannot be used for any other purpose, has been delivered to the processing mills but cannot be released without a priority order.

G. Tamblyn, Ltd., drugstore chain, reports sales continuing to run well ahead of the corresponding period a year ago, according to W. C. Scott, president. In the 1941 fiscal year, sales reached the highest point in the company's history. On the basis of results in the current year to date, it can be expected that a new sales peak will have been established by the end of the year.

Home Defence

Complete home defence includes provision for guarding the future of your family. When you appoint the Montreal Trust Company as Trustee of your estate, you insure experienced continuity of management and financial responsibility for the protection of your dependents.

We will be glad to explain in detail the services of this company.

MONTREAL TRUST COMPANY
Montreal Trust Building Toronto

Would you give $15,000 in one lump sum to your wife, son or daughter during your life?

If not, you would not want the proceeds of your life insurance paid to them in lump sums.

Set up trusts under your Will for safeguarding those funds.

The CANADA TRUST COMPANY
Managed in connection with
Huron & Erie Mortgage Corporation
Branch Offices in Six Provinces

London Windsor Regina
Hamilton St. Thomas Edmonton
Toronto Chatham Vancouver
Montreal Winnipeg Victoria

THE CHOICE OF *The Services* Is Your Choice Too

When you place your advertising campaign in Maclean's, you can count on a readership "plus" that may one day be as important to you as the original 275,000 stay-at-home subscribers now are.

Maclean's today finds its way into the reading rooms of the officers' mess, the sergeants' mess, the men's quarters—the Army, the Navy, the Air Force.

You'll see Maclean's being read and re-read in the "Y," Sally-Ann and K. of C. canteens, dog-eared and thumb-marked, always the choice of the "Services."

Wherever Canadians go — to England, to Egypt, to China, to Australia — Maclean's follows them and they write back to tell us of their appreciation.

Maclean's gives them what they want—a quick, bird's-eye view of their native land, a popularly-written digest of the ideas and events of the day, a wholesome and vigorous type of fiction.

The additional coverage of these men, and women, in the Services today is important to you because some day, perhaps not so far away either, they'll be back and they'll be the people you want to sell.

Maclean's rates top position on every consumer advertising list today. Whether you advertise for immediate sales or to hold your position in the better market of tomorrow, pick Maclean's first.

From Our "Services" Mail Bag

From a Canadian now living in England, who entertains our "boys" each week-end:

"The boys are eager to have a chance to read it. They all know your magazine of old and they say that wherever they hear that a canteen or a library contains Maclean's, there is a rush to read it first."

From BEVERLEY BAXTER, Maclean's feature writer living in England:

"It is really surprising how many people over here get hold of a copy of Maclean's."

From a member of Canada's Army overseas:

"Your magazine is in general circulation amongst the Canadian troops and it is the consensus among us that you are doing a noble job. Yours is the home-front task, Maclean's. We are proud of your execution of it."

From the manager of our London (Eng.) office:

"I am of the opinion that members of the Canadian forces serving in England would absorb the whole of Maclean's present circulation—and then some. To them it is satisfying as a pre-war full course meal. Every copy we can spare from the London office (both current and back numbers) is eagerly sought by the women's organizations engaged in distributing reading matter to the forces."

Maclean's
CANADA'S NATIONAL MAGAZINE
481 University Ave., Toronto, Canada

Montreal London, Eng. New York Chicago

Demand Deposits Hit New High

Investments Also Increase While Current Loans Fall

Main features of the regular monthly statement of the Canadian chartered banks to the Minister of Finance as at Aug. 31, are the expansion in public deposits in Canada; the large increase in bank investments, and the decline in current loans in Canada.

The increase in deposits during the month amounted to $117.2 millions of which $45 millions was in savings and $71.2 millions in demand deposits.

Gains for Year

Compared with last year, the increases are $177 millions in savings and $396.8 millions in demand. The rise in savings deposits brings the total up to practically $1.7 billion, just about $21 millions less than on Jan. 31, 1942, the month before the second Victory Loan was floated.

It is believed deposits during September continued the upward trend so that when the third Victory Loan campaign opens Oct. 19, these savings deposits will probably be well above the level of last January.

Demand deposits have been rising steadily, owing to the money paid out to industrial concerns by the government for war supplies. The August figure of $1.4 billion is the highest on record.

Other classes of deposits have shown varying trends. Dominion Government deposits are higher on the month, and lower on the year. Provincial government deposits are down for the month and higher for the year. Foreign deposits are up in both comparisons.

Current Loans

The increase in demand deposits according to bankers is directly connected with the decline in current loans. With many manufacturing concerns having more money in the bank they pay off their loans. This situation has been noticeable in recent months not only among businessmen but farmers as well. In the aggregate, it means a reduction in total current loans. On August 31, the decline from July 31 was $28 millions and compared with Aug. 31, 1941, $165.6 millions.

Call loans in Canada and municipal loans continued lower in both monthly and yearly comparisons. Provincial loans were slightly higher for the month, but lower than for the year.

Investments Up

With demand for loans generally declining, banks are putting a larger percentage of their assets into investments. The increase in investments has been greatly stimulated recently by the sale by the government to the banks of deposit certificates. Accordingly while total loans in August decreased by $202 millions, investments have risen by $493 millions. This switch from loans to investments will affect the earnings of the banks it is stated as the average rate of interest obtainable on high-grade investments is much lower than on loans.

Use of Bank Credits
(In Millions of Dollars)

	August 1942	July 1942	Change	August 1941	Change
Loans	1,067.7	1,122.2	—34.5	1,290.2	—202.5
Investments	2,191.9	1,957.9	+234.0	1,698.2	+493.7
Total	3,279.6	3,080.1	+199.5	2,988.4	+291.2
Deposits	3,122.4	3,005.2	+117.2	2,548.2	+574.2
Credit index*	32.4%	34.7%	—2.3%	46.6%	—14.2%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	August 1942 $	July 1942 $	Change $	August 1941 $	Change $
Immediately Available Liquid Assets					
Canadian coin	7,197,623	6,769,343	+428,280	5,680,161	+1,517,462
Bk. of Can. notes	99,844,750	90,489,102	+9,355,648	80,871,310	+18,973,440
Bk. of Can. depos.	225,453,662	271,640,204	—46,186,542	212,643,020	+12,810,642
Bank's cash	332,496,035	368,898,649	—36,402,614	299,194,491	+33,301,544
Other bank's notes	2,483,457	1,946,768	+536,689	3,118,115	—634,658
Gold, sub. coin abd.	2,791,107	2,784,790	+6,317	3,028,704	—237,597
Foreign banks	187,800,423	184,018,016	+3,782,407	189,738,776	—1,938,353
Foreign currency	43,331,274	43,497,855	—166,581	33,599,646	+9,731,628
Gov. sec. short term	1,069,487,266	852,465,874	+217,021,392	839,367,031	+230,120,235
Do., long term	829,610,562	829,867,778	—257,216	611,337,566	+218,272,996
Call loans abroad	55,024,713	52,899,885	+2,124,828	50,303,882	+4,720,831
	2,523,024,837	2,336,379,615	+186,645,222	2,029,688,211	+493,336,626
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	77,982,005	76,847,469	+1,134,536	87,808,642	—9,826,637
Public secs.‡	128,664,447	118,280,228	+10,384,219	67,703,204	+60,961,243
Other secs.	86,202,214	80,438,829	+5,763,385	92,059,284	—5,857,070
Can. call loans	24,213,242	26,151,749	—1,938,507	34,815,526	—10,602,284
Current loans	988,336,320	1,016,658,023	—28,321,703	1,153,996,270	—165,659,950
Loans abroad	114,707,802	126,759,255	—12,051,453	133,260,424	—18,552,622
Prov. loans	4,248,946	3,716,162	+532,784	13,815,037	—9,566,091
Mun. loans	70,894,102	75,620,207	—4,726,105	87,606,845	—16,712,743
	1,495,249,078	1,524,471,923	—29,222,844	1,671,065,232	—175,816,154
Other Assets					
Non-current loans	4,131,586	4,128,547	+3,039	5,389,449	—1,257,863
Real estate	5,978,254	5,984,661	—6,407	6,703,399	—725,145
Mortgages	3,479,486	3,481,947	—2,461	3,545,329	—65,843
Premises	69,436,395	69,431,906	+4,489	70,522,413	—1,086,018
Letters of credit	110,143,148	117,231,446	—7,088,298	95,610,753	+14,532,395
Loans to comp.	11,020,598	11,090,662	—70,064	10,995,287	+25,311
Other assets	1,820,489	1,781,673	+38,816	1,894,706	—74,217
	206,009,956	213,130,842	—7,120,886	194,661,336	+11,348,620
Total	4,224,283,871	4,073,982,379	+150,301,492	3,895,414,779	+328,869,092
Note circ. dep.	4,016,842	4,016,842	....	4,479,170	—462,328
Int. bank bal.	161,681,792	167,753,394	—6,071,602	130,661,587	+31,020,205
Gross	4,389,982,505	4,245,752,615	+144,229,890	4,030,555,536	+359,426,969

LIABILITIES

	August 1942 $	July 1942 $	Change $	August 1941 $	Change $
To the Public					
Circulation	73,421,465	74,976,140	—1,554,675	83,773,658	—10,352,193
Dom. Govt.	89,734,041	70,077,904	+19,656,137	424,161,423	—334,427,382
Prov. Govt.	98,890,921	98,901,356	—10,435	58,958,549	+39,932,372
Deposits by Public					
Demand dep.	1,422,882,659	1,351,612,498	+71,270,161	1,026,043,639	+396,839,020
Savings dep.	1,699,553,037	1,653,596,566	+45,956,471	1,522,186,431	+177,366,606
Total	3,122,435,696	3,005,209,064	+117,226,632	2,548,230,070	+574,205,626
Foreign dep.	514,733,592	506,217,845	+8,515,747	450,778,881	+63,954,711
Due to Banks Abroad, Etc.					
United Kingdom	25,727,197	20,917,050	+4,810,147	21,418,208	+4,308,989
Foreign	34,192,581	33,597,267	+595,314	28,855,962	+5,336,619
Bills payable	....	....	....	4,389	—4,389
Letters of credit	110,143,148	117,231,446	—7,088,298	95,610,753	+14,532,395
Other liabs.	5,229,671	4,768,262	+461,409	5,829,441	—599,770
Total pub. liabs.	4,074,508,312	3,931,896,334	+142,611,978	3,717,621,334	+356,886,978
Due bet. banks	12,070,399	12,296,056	—225,657	10,575,527	+1,494,872
Liability to Shareholders					
Dividends	2,285,401	2,785,835	—500,434	2,297,622	—12,221
Reserve	134,750,000	134,750,000	....	133,750,000	+1,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	4,369,114,112	4,227,228,225	+141,885,887	4,009,744,483	+359,369,629

‡Other than Canadian.

Gains Are Seen In Bank Debits

Four of Five Economic Areas Above Last Year's Level

Canadians in August cashed cheques amounting to $3,480 millions at the clearing house centres in Canada. This was an increase of 10.5% over the same month in 1941. Gains were shown in all economic areas except the Prairies. The greatest gain was 20% in Ontario. The other increases were Maritimes 4.2%; Quebec 9% and British Columbia 5.7%. The Prairies were down 10.6%.

Compared with the previous month a gain of 2.2% is shown after seasonal adjustment.

Bank debits for the first eight months of 1942 totalled $28.7 billions or 14.2% over last year.

Debits to Individual Accounts
Millions of $

	1942 Aug.	1942 July	1941 Aug.
Maritimes:			
Halifax	44.2	48.0	45.4
Moncton	15.1	14.8	12.7
Saint John	22.0	22.5	19.8
Total	81.3	85.4	78.0
Quebec:			
Montreal	888.4	944.9	814.7
Quebec	117.2	136.1	103.9
Sherbrooke	9.5	10.1	9.5
Total	1,015.1	1,091.2	928.1
Ontario:			
Brantford	15.7	16.8	12.8
Chatham	8.2	9.1	9.4
Fort William	9.8	10.1	8.6
Hamilton	106.7	111.4	92.2
Kingston	9.9	11.1	9.2
Kitchener	17.1	19.2	16.3
London	40.4	43.5	40.3
Ottawa	524.1	513.8	282.9
Peterborough	11.3	11.6	9.9
St. Catharines	19.5	20.0	16.7
Sarnia	11.6	10.7	8.9
Sudbury	8.6	8.8	8.4
Toronto	804.5	867.2	806.9
Windsor	81.0	78.0	58.3
Total	1,668.7	1,731.6	1,383.1
Prairies:			
Brandon	5.8	5.7	4.9
Calgary	71.4	70.2	74.8
Edmonton	55.9	57.4	60.2
Lethbridge	5.9	6.2	5.8
Medicine Hat	3.4	3.5	4.0
Moose Jaw	8.8	9.6	7.1
Prince Albert	4.2	4.4	3.6
Regina	45.9	64.2	43.6
Saskatoon	15.8	16.6	13.5
Winnipeg	271.5	281.6	339.5
Total	488.9	519.5	547.1
British Columbia:			
New W'minster	10.8	11.4	9.6
Vancouver	176.9	186.3	164.2
Victoria	37.8	78.7	39.5
Total	225.6	276.4	213.4
Total for Canada	3,479.7	3,704.1	3,149.8

Weekly Bank Clearings

	Oct. 1 1942 $	Change Year Ago %	Sept. 24 1942 $
Halifax	3,675,697	—16.5	4,162,093
Saint John	2,374,800	—2.2	2,352,339
Moncton	1,189,248	+0.3	1,056,972
Sherbrooke	823,781	—17.5	1,234,470
Quebec	5,799,586	+6.1	5,207,645
Montreal	142,039,424	+6.1	109,969,495
Ottawa	53,621,524	+33.8	43,867,012
Kingston	752,132	—11.6	846,516
Peterborough	846,442	+1.9	812,688
Toronto	135,897,618	—8.6	126,867,701
Hamilton	8,316,470	+1.4	7,256,653
St. Catharines	1,662,643	+16.9	1,182,459
Kitchener	1,359,891	—2.7	1,211,071
Brantford	1,148,612	—6.0	1,042,433
London	2,686,085	+12.3	2,715,778
Chatham	678,576	+7.4	644,614
Sarnia	542,612	—6.8	490,582
Sudbury	1,277,445	—21.3	1,013,987
Fort William	1,061,752	+5.4	1,045,795
Winnipeg	46,741,208	—31.5	43,798,759
Brandon	545,294	+2.5	662,399
Regina	5,736,178	—4.7	6,812,638
Moose Jaw	809,864	—10.0	855,298
Saskatoon	2,047,278	+4.1	1,776,511
Prince Albert	564,163	+14.0	471,733
Edmonton	7,493,434	+36.5	6,198,968
Calgary	6,337,182	+3.8	7,032,419
Lethbridge	733,585	+4.8	798,426
N. W'minster	1,226,136	+16.6	1,037,457
Medicine Hat	405,494	—4.8	555,255
Vancouver	29,292,204	+21.7	28,601,662
Victoria	2,171,314	+0.9	1,969,399

Mortgage Position Said Best for Some Years

Improvement in Urban Collections Outstrips Betterment in Western Farm Mortgages; Better Trend is Expected to Hold This Year

The mortgage situation in Canada is in a healthier condition than for a good many years, according to lending institutions which are members of the Dominion Mortgage & Investments Association, comprising most of the life insurance, trust and loan companies in the Dominion. This is especially true of urban mortgages; improvement in farm mortgages has not been nearly so great.

General experience has been that collections on western farm mortgages in the crop year ended July 31, 1942, were higher than in the 1940-41 crop year despite 1941's low wheat yield. This reflects the increased income received by many farmers, not dependent on wheat, from livestock and dairy products. From such farmers have come some substantial mortgage payments.

More From West

Predicting probable western farm mortgage collections in the current crop year offers some difficulties. Income from livestock and dairy products should reach record proportions, while, in addition, there is a record grain crop. Mortgage payments, therefore, should be better than for some years. However, grain storage and marketing difficulties will mean that most western farmers will have less money available immediately for the payment of debts than the crop statistics would seem to indicate.

One large lending institution with mortgage holdings across Canada reports its urban mortgage business in the healthiest condition of 12 years. In the past three years the improvement has been particularly substantial due to increased income arising from quickened industrial activity. This company reports that most urban mortgagors who a few years ago were finding it difficult to meet their payments have restored their mortgages to good standing.

Collections of this same company on western farm mortgages in the 1941-42 crop year were at about the 1940-41 level when they were substantially better than a few years ago.

Mortgages Decreasing

A large insurance company reports its mortgage investment is going down steadily with principal repayments at the highest level in many years. In the first seven months of this year its principal repayments were 33% higher than the same period of 1941.

Another large loan company states that the principal payments it has received on mortgages have increased every year since 1934. In 1941 they were 140% higher than in 1934 and repayments in the current year to date show a continuation of this upward trend. Payments on western farm mortgages in the 1941-42 crop year were higher than in either of the two previous years despite the small wheat crop in 1941.

Note Issue Shows Gain As Public Deposits Rise

Note circulation of the Bank of Canada continues to climb to new high levels. The statement of the bank as at Sept. 30 shows total circulation of $625.4 millions, an increase for the week of $7.3 millions.

Apart from the greater demand for cash due to increased payrolls, bankers attribute a large part of the increase to their own need of keeping larger cash reserves against their growing deposits. The increase has been unusually large in demand deposits which stand at new high levels.

Chartered banks normally keep a cash reserve of about 10% against their deposits. The Bank Act requires a reserve of 5% but actual reserves are usually nearer 10%. This reserve may be in the form of deposits with the Bank of Canada or in Bank of Canada notes. Because such a large part of the increase in deposits is in demand accounts, it is understood a larger part of the reserve is being kept in Bank of Canada notes in the chartered banks' tills where they are immediately available.

Investments of the Bank of Canada for the week ended Sept. 30 rose $17 millions, the increase being mainly in short term issues.

	Sept. 30 1942 $	Sept. 23 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	625,435,964	618,126,864
Rest fund	5,585,705	5,585,705
Deposits: Dom.	18,539,030	32,721,790
Banks	246,016,485	225,521,619
Other	24,741,690	15,569,808
Total deposits	289,297,205	273,813,217
All other	11,016,356	10,233,955
Total liabs.	936,335,230	912,759,741
Assets		
In Sterling & U. S.	822,503	929,980
Subsid. coin	156,309	170,131
Investments:		
Dom. gov. sh.	628,674,770	614,689,121
Other Dom. gov.	284,714,833	282,204,644
Total invests.	913,389,603	896,893,765
Premises	2,108,314	2,113,540
All other assets	19,858,501	12,652,325
Total assets	936,335,230	912,759,741

Securities Trade Brings Substantial New Capital

Net sale of securities to other countries in July continued at an unusually high level although below the heavy volume of March and April this year. Total net sales in July were $6.8 millions, representing a net import of capital, compared with $6.3 millions in June. Canadian bonds again made up the major part of the total, with sales of United States securities remaining light.

Dominion guaranteed bonds to the extent of $3.1 millions were the largest portion of the net sales with Dominion's accounting for $1.9 million and provincial's $1.6 million.

For the first seven months of this year; Canada has been able to make net sales of securities totalling $64.6 millions, almost five times the $13.7 millions reported for the same period of 1941. Practically all of this is in Canadian bonds which accounted for $6 millions, of which Dominion guarantees took up $28.4 millions.

As has been the case ever since the war started, by far the major portion of this trade is with purchasers in the United States. Of total sales of all classes of securities amounting to $103.5 millions for the first seven months of this year, $102.3 millions have been made to purchasers in the United States.

How this trade has been broken down between classes of securities is illustrated by the following table:

Canada's Trade in Securities
7 Months Ended July, 1942

	Sales $000	Purchases $000
Canadian securities:		
Bonds	82,743	22,735
Stocks	5,873	6,952
Other	388	383
Total	89,004	30,070
U. S. securities:		
Bonds	2,783	2,286
Stocks	7,812	3,307
Other	367	260
Total	10,962	5,853
U. K. securities:		
Bonds	290	508
Stocks	5	1
Total	295	509
Other countries' securities:		
Bonds	756	493
Stocks	41	......
Other	25	......
Total	822	493
Short-terms	15	134
Unspecified Bonds & debs.	2,356	1,883
Grand total	103,456	39,942

Money Supply $3.7 Billions

Total supply of money in Canada at the end of August was $3.7 billions according to an estimate by the Dominion Bureau of Statistics. This was about $266 millions more than at the end of the same month last year. The estimate includes all public deposits in the chartered banks, deposits of the Dominion and provincial governments, and circulating media in the hands of the public.

Bank deposits being transferable by cheque have been described as the most important form of money in the country because, by their transfer, the largest business transactions are carried on. These cheques are not money in themselves, but they represent a claim on wealth in the form of bank deposits.

Circulating media in the hands of the public includes Bank of Canada notes, notes of the chartered banks and subsidiary coin, all in the hands of the public. This on Aug. 31 totalled $597.6 millions, compared with $438.6 millions a year ago.

U. S. Lines of C. P. Balance Position

From Our Own Correspondent

MONTREAL. — Canadian Pacific lines in Maine and Vermont have shown a moderate gain in revenue position for the current year.

For the first seven months the Maine lines had a net operating income of $878,124, as against $567,189 for the same period of 1941.

Gross income of the Vermont lines increased, but operating expenses were considerably higher, with the result this division had a deficit to the end of last July of $252,620, compared with a loss of $225,316 for the first seven months last year.

Canadian Pacific Lines in U. S.

	Jan. to July 1942 $	1941 $
Maine		
Oper. revenues	2,935,592	2,424,968
Oper. expenses	1,761,659	1,564,742
Net oper. income	878,124	567,189
Vermont		
Oper. revenues	814,801	801,380
Oper. expenses	940,093	824,892
Net oper. deficit	352,620	225,316

Canadian National Railways has discontinued publication of its weekly gross earnings. The monthly statements of gross earnings and net revenues will be continued. This is in line with the practice followed by the U. S. roads.

Monthly Bank Clearings

	September 1942 $	September 1941 $
Halifax	17,560,407	15,973,981
Saint John	10,107,394	9,157,688
Moncton	4,782,321	4,565,428
Sherbrooke	4,485,386	4,388,773
Quebec	25,145,979	23,635,729
Montreal	554,711,097	516,382,075
Ottawa	259,233,740	184,115,689
Kingston	3,476,248	3,421,093
Peterborough	3,428,367	3,106,338
Toronto	572,039,819	551,258,040
Hamilton	31,791,004	28,998,085
St. Catharines	5,880,007	5,425,552
Brantford	4,499,828	4,608,344
London	12,019,952	11,684,179
Chatham	2,653,502	2,620,689
Windsor	17,999,103	14,775,303
Sarnia	2,011,930	2,121,830
Sudbury	4,739,682	4,986,719
Fort William	4,610,522	4,450,304
Winnipeg	183,085,587	223,399,398
Brandon	2,484,493	2,073,671
Regina	26,916,111	23,393,793
Moose Jaw	3,535,747	3,035,628
Saskatoon	7,946,203	7,225,104
Prince Albert	2,190,860	1,902,901
Edmonton	27,612,108	23,898,207
Calgary	28,319,162	27,428,507
Lethbridge	3,124,268	2,590,432
Medicine Hat	1,886,274	1,689,905
New Westminster	4,498,962	3,808,381
Vancouver	113,418,793	87,786,930
Victoria	8,502,112	8,461,632

PROFESSIONAL DIRECTORY

LEGAL

FENNELL, PORTER & DAVIS
ROBERT FENNELL, K.C. DANA H. PORTER BRUCE P. DAVIS
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON." TORONTO CANADA

McLAUGHLIN, JOHNSTON, MOORHEAD & MACAULAY
Barristers, Solicitors, Notaries
302 BAY ST., TORONTO
Telephone ELgin 4217
L. Macaulay, K.C., M.P.P.
H. J. McLaughlin, K.C.
W. W. McLaughlin, K.C.
D. C. Wells R. F. May
H. W. Alles R. H. Soward
L. B. Webster J. M. Magwood

CONSULTING ENGINEERS

THE GENERAL ENGINEERING COMPANY
(CANADA) LIMITED
ENGINEERING CONSTRUCTION
OPERATION OF INDUSTRIAL PLANTS
100 Adelaide St. West WA. 8605 Toronto

Shoemaker & Burnham
CONSULTING ENGINEERS
Specializing in Mill Design, Metallurgy, Power and Mining Plants.
Room 1201-1207
45 Richmond St. West,
Toronto, Ont.
Waverley 4466

DEPENDABILITY
Its ability to get the news and interpret it accurately is what leads wise investors in Canadian securities to rely each week on
THE FINANCIAL POST
$5 One Year—$2.50 Half Year

CHARTERED ACCOUNTANTS

Ronald, Griggs & Co.
Chartered Accountants
WINNIPEG
SASKATOON

MASECAR, DeROCHE & McMILLAN
Chartered Accountants
SASKATOON SASK.

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

McDonald, Currie & Co.
Chartered Accountants
Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

RUTHERFORD WILLIAMSON & CO.
Chartered Accountants,
Rutherford Williamson, F.C.A. Harold A. Shiach, F.C.A.
D. J. Sales, C.A. W. F. Gibson, C.A.
TORONTO—MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Winnipeg—Vancouver
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

CHARTRE, SAMSON & CO.
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL QUEBEC ROUYN

ROBERTSON, ROBINSON, McCANNELL & DICK
Chartered Accountants
D. H. McCANNELL — Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

Dunton, Ross & Frewin
Chartered Accountants
D. L. Ross & Co.
Licensed Trustees Liquidators Receivers
TORONTO MONTREAL MONCTON

MILLAR, MACDONALD & CO.
Chartered Accountants
WINNIPEG, MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

Position of Chartered Banks of Canada as of August 31, 1942, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advances from Bank of Canada $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere ▲ $	Bal. due to other Banks in Canada $	Due to Banks in U.K. $	Due to Banks Elsewhere $	Bills Payable $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $
Montreal	16,499,899	36,744,203	29,797,971	....	386,551,511	422,371,207	108,450,583	2,148,379	8,957,842	10,377,067	....	19,179,015	2,387,570	732,570	39,000,000	36,000,000	1,119,197,623
Nova Scotia	6,348,045	4,548,526	3,711,765	....	90,750,851	156,592,880	59,904,462	2,660,959	902,322	1,598,230	....	22,004,027	220,772	363,884	24,000,000	12,000,000	385,606,728
Toronto	2,530,974	4,701,343	1,600,393	....	70,469,867	94,917,617	584,350	120,719	806,386	434,163	....	2,517,048	....	150,626	10,000,000	6,000,000	194,833,491
Provinciale	1,925,415	1,122,273	223,709	....	14,854,832	43,223,628	8,837	10	....	18,161	....	84,058	6,848	63,301	1,000,000	4,000,000	66,531,077
Commerce	14,783,456	6,537,971	16,901,930	....	264,468,201	331,264,700	74,635,133	1,641,393	5,648,518	6,811,652	....	29,290,727	....	64,472	20,000,000	30,000,000	802,048,159
Royal	20,794,722	14,637,019	26,322,013	....	394,820,304	356,086,496	257,796,728	26,158	4,880,091	12,367,193	....	28,205,367	1,853,626	749,547	20,000,000	35,000,000	1,173,439,271
Dominion	3,205,684	3,046,449	739,636	....	69,050,660	81,208,916	7,951,263	1,810,615	555,927	341,796	....	3,132,503	698,500	6,267	7,000,000	7,000,000	185,748,230
Nationale	3,158,427	3,411,495	1,700,624	....	53,351,745	108,841,849	460,461	1,944,571	26,122	722,946	....	480,015	50,936	145,146	5,000,000	7,000,000	186,294,341
Imperial	3,463,298	11,969,035	17,797,086	....	72,537,792	98,793,147	1,562,849	1,617,958	1,147,992	888,341	....	4,321,043	....	9,588	8,000,000	7,000,000	229,108,134
Barclays (Canada)	711,545	3,015,727	95,794	....	6,026,896	6,252,597	3,378,926	99,637	2,801,997	733,032	....	929,345	11,358	....	750,000	1,500,000	26,306,858
Total	73,421,465	89,734,041	98,890,921	....	1,422,882,659	1,699,553,037	514,733,592	12,070,399	25,727,197	34,192,581	....	110,143,148	5,229,619	2,285,401	134,750,000	145,500,000	4,369,114,112

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized $	Capital Subscribed $	Last Dividend %	†Loans to Directors and firms of which they are Partners $	Average Notes and Deposits with Bank of Can. $	Greatest Amount of Notes in Circ. $
Montreal	50,000,000	36,000,000	8	196,074	85,195,411	18,932,854
Nova Scotia	15,000,000	12,000,000	12	1,789,300	27,798,000	6,436,766
Toronto	10,000,000	6,000,000	10	518,821	23,817,465	2,570,389
Provinciale	5,000,000	4,000,000	6	147,435	4,563,378	1,966,170
Commerce	50,000,000	30,000,000	8	925,598	61,465,244	15,189,573
Royal	50,000,000	35,000,000	8	1,126,355	75,793,028	21,785,465
Dominion	10,000,000	7,000,000	10	504,996	17,881,706	3,205,684
Nationale	10,000,000	7,000,000	8	138,439	15,750,604	3,240,137
Imperial	10,000,000	7,000,000	10	511,790	19,751,284	3,478,250
Barclays (Canada)	1,500,000	1,500,000	....	12,062	1,381,827	744,825
Total	211,500,000	145,500,000	....	5,870,870	333,397,942	73,550,113

▲Of this amount $50,042,992 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada $	Gold and Subsidiary Coin Held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes of Other Banks $	Govt. and Bank Notes other than Canadian $	Cheques on other banks $	Balances due by other banks in Canada $	Due by banks in U.K. $	Due by banks elsewhere $	Govt. sec. short term $	Govt. sec. long term $	Canadian municipal securities $	Public sec. other than Can. $	Other bonds and stocks $
Montreal*	1,439,618	52,420	23,908,621	58,883,100	717,540	854,367	36,828,733	49	4,888,613	27,931,334	339,414,662	229,977,387	15,427,784	51,061,658	20,341,326
Nova Scotia	418,863	810,294	8,643,666	19,463,787	186,739	9,305,144	13,181,501	....	8,973,852	17,391,223	70,192,865	62,459,039	9,438,535	3,280,723	11,658,396
Toronto	342,799	....	5,067,613	20,863,728	105,090	135,112	8,979,136	....	573,441	4,488,188	48,373,707	39,784,118	2,214,331	....	3,465,018
Provinciale	304,551	....	2,532,408	1,738,435	70,225	48,295	2,788,852	12,125	16,125	867,165	14,169,849	9,564,641	11,493,680	....	1,264,146
Commerce†	113,013	212,100	17,175,052	38,491,646	309,838	2,648,618	26,341,296	401	5,945,076	26,554,770	175,647,707	156,781,600	6,865,243	29,226,346	10,348,340
Royal	2,205,664	1,716,087	26,430,675	47,125,670	631,160	29,974,105	45,840,483	3,171	17,646,464	51,940,396	279,334,033	219,247,641	9,047,075	44,599,515	34,274,117
Dominion	267,221	208	2,812,057	17,135,144	158,905	147,333	7,678,954	1,898	2,259,780	5,215,627	37,943,339	31,821,505	1,367,337	444,817	1,249,074
Nationale	714,678	....	6,966,752	8,896,236	132,145	102,007	7,062,676	1,381,733	59,745	2,194,205	44,567,535	27,700,181	15,932,813	17,388	3,551,345
Imperial	884,414	....	6,205,548	13,105,163	173,670	113,993	10,111,846	677,801	362,507	4,963,089	53,961,136	45,106,358	6,194,207	....	50,452
Barclays (Can.)	6,602	....	91,355	1,750,744	3,145	2,300	257,777	543,360	1,707,700	3,812,123	5,882,313	7,168,092	1,000	25,000	....
Total	7,197,623	2,791,107	99,844,750	225,453,662	2,483,457	43,331,274	159,061,254	2,620,538	42,433,303	145,367,120	1,069,487,266	829,610,562	77,982,005	128,664,447	86,202,214

NAME OF BANK	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $	Current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-Current loans $	Real estate other than Bank premises $	Mortgages on real estate $	Bank Premises $	Deposit for note circulation $	Other assets $	Total assets ▲ $
Montreal*	1,710,424	17,136,977	211,078,224	19,364,163	360,247	25,107,785	521,940	363,995	454,805	13,900,000	905,058	1,637,104	1,121,936,968
Nova Scotia	3,228,066	340,400	98,768,688	16,034,740	383,576	2,277,353	383,307	....	77,888	5,729,084	338,298	2,380,848	387,357,682
Toronto	898,194	....	54,025,749	....	....	2,723,878	20,801	....	9,550	3,094,106	172,958	....	197,855,371
Provinciale	2,599,748	....	14,123,747	....	48,533	2,206,766	62,586	408,450	255,428	2,067,014	108,971	113,223	66,938,031
Commerce†	5,955,187	15,487,950	206,402,953	18,000,080	548,783	10,987,108	1,065,111	2,166,108	927,618	13,976,451	800,000	4,485,716	807,844,858
Royal	4,030,773	19,634,762	213,056,354	60,909,507	1,037,243	16,693,542	1,579,468	1,486,491	577,064	14,166,097	1,110,000	3,846,402	1,176,848,348
Dominion	982,756	2,424,624	64,636,873	399,312	646,586	171,127	150,369	18,806	27,081	5,382,786	181,452	204,781	188,857,263
Nationale	2,935,117	....	49,697,909	....	358,663	7,292,124	150,385	1,506,433	678,777	4,774,485	173,537	185,853	187,523,998
Imperial	1,721,907	....	73,228,782	....	365,310	3,434,419	194,710	28,971	171,479	5,615,088	191,873	....	230,662,753
Barclays (Can.)	163,100	....	3,230,041	....	....	....	2,909	....	....	730,684	31,690	....	26,337,337
Total	24,213,242	55,024,713	988,336,320	114,707,802	4,248,946	70,894,102	4,131,586	5,978,254	3,479,486	69,436,395	4,016,842	12,860,977	4,389,982,505

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement:—Footnote to Canadian Bank of Commerce return.

▲Total assets include $110,143,148 letters of credit outstanding as shown in liabilities.

Qualify for your
GENERAL ACCOUNTANTS CERTIFICATE
issued by the General Accountants Association
by the SHAW HOME STUDY COURSE
These special courses by Correspondence, leading to the Intermediate and Final Examinations for your C.G.A. are most thoroughly and carefully planned. They provide the utmost in instruction and guidance to Students preparing in spare time study for these Examinations.
Write for special booklet C.G.A. to Shaw Schools, Dept. B.79 1130 Bay St., Toronto

PHOTOSTAT PRINTS
Enlarged from 16. or 35. MM.
MICRO-FILM
COMMERCIAL PHOTOPRINTS LTD.
24 Adelaide St. W., AD. 3441

CARRY MONEY SAFELY
WHEN YOU TRAVEL
Canadian Pacific Express
TRAVELLERS CHEQUES

Envelopes
for every purpose
Barber-Ellis
of Canada, Limited
TORONTO BRANTFORD

in MONTREAL... the BERKELEY HOTEL

"The Berkeley" in Montreal meets every demand of the casual and the seasonal visitor. Quiet and restful in atmosphere, it is held in esteem as Montreal's first hotel for hospitality and service. Its Dining-Room, serving delicious food, is a popular rendezvous for dinners and social occasions.

Make your acquaintance with this fine hotel next time you visit Montreal!

Single Rooms — 3.50
Double Rooms — 5.00
Sherbrooke Street near Drummond
MONTREAL
Berkeley

he Newsprint Price Problem

U. S. Office of Price Administration Holds Commodity at Pre-war Level Despite Rise in Costs

By JOHN E. LANGDON

ONTREAL. — Newsprint is only international commodity ch has not advanced in price e the outbreak of war.

is one of the principal prod- in Canada's export trade. It side from gold, the most im- ant source of U. S. dollars lable to the treasury.

other international com- ity is selling at its pre-war l. Why then, newsprint? It is ssary to be aware of develop- ts that have taken place over last 5 or 6 years.

fter a long period of cut- at competition among them- s, the newsprint mills finally eved a degree of stability gh the medium of the News- Association of Canada.

e low point in the price of sprint was reached in 1934 , in the desperate struggle nnage, the mills cut the price 40, a thoroughly uneconomic

oves to bring about a more table price were only parti- successful. By 1937 the price aper was still only $42.50 a delivered in New York—an nce of $2.50 from the depres- low and the lowest level of year since 1915.

Made Mistake in 1937

1937 the mills announced a in the price of newsprint r to $50 a ton beginning with veries in 1938. The premature uncement—it was made sev- months before the change lly took place — nearly ked the industry. American lishers accumulated vast s of newsprint and the con- ent let-down in purchases ghout 1938 placed the oper- in a very difficult position.

e price held. With the ex- nce of 1937 in mind, no at- t was made to change the dule in 1939.

en came war. It was generally anticipated that the price would be increased.

Instead, Charles Vining, president of the Newsprint Association of Canada, informed publishers that the policy of the industry was to have a stabilized market. The price of newsprint was to remain unchanged, at least for the time being.

There were several reasons back of this policy.

In the first place, the operators had been endeavoring to reestablish friendly relations with American publishers, their best buyers. The stabilization policy was regarded as a move to cement the improved relations; a step which, it was believed, would stand the Canadian industry in good stead after the war when there would be a scramble for business.

Of course the American dollar went to a premium, which gave an automatic increase of $5 a ton in Canadian funds on paper sold in the United States.

By the late fall of 1941 it was apparent that increasing costs of wood, labor, supplies, higher taxes, etc., had pretty well eaten up the "cushion" provided by the premium on U. S. sales. Helping revenues was the fact that at midyear the industry received orders for a very large quantity of kraft paper substitutes which permitted the operation of machines at capacity, though there was a declining trend in the demand for newsprint paper.

By the time the principal operators had made up their minds that a higher price was necessary it was well on toward the end of the year and Canada set up its Wartime Prices and Trade Board which froze the selling price of all products, including newsprint paper. Newsprint prices were frozen only for domestic shipments. Prices of export products were not frozen.

Nevertheless, the policy of the W.P.T.B. made it difficult for manufacturers of newsprint and other products exported to raise the price to their export customers.

Move Is Blocked

Newsprint manufacturers then announced that, effective the beginning of the second quarter of 1942, the price of Canadian newsprint in the United States would be advanced $3 a ton at New York and other ports, with an added differential where shipments had to be made inland.

Before the new price went into effect, Leon Henderson, head of the U. S. Office of Price Administration, froze American prices and he added a rider that no American publisher could pay more than he had been paying for newsprint.

The blow was eased a bit by announcement of the O.P.A. that it would consider the price increase on its own merits.

Next move by O.P.A. was to ask the W.P.T.B. for a joint enquiry into the costs of newsprint manufacture. Results of this survey have never been made public. Unofficially, it is understood to have proved very clearly that the higher price asked by the manufacturers was justified.

Toward the end of March, O.P.A. gave the proposed Canadian newsprint price increase a 60 day hoist.

A further study was made by the O.P.A. as to costs. Nothing ever came of this survey. Canadian manufacturers continue to deliver paper at the base rate of $50 a ton in U. S. funds.

Adopt Other Means

This was a serious matter to the industry. The large tonnage of kraft paper substitutes made in the last half of 1941, dwindled to negligible proportions early in 1942. The demand for newsprint eased. Costs kept mounting.

A move was then instituted to secure an adjustment of U. S. port prices. The minimum price of $50 a ton delivered in New York, Chicago or certain other specified American ports, was predicated on the ability to ship paper by water which effects a saving of $2 a ton or more in shipping costs. For several months, movement of newsprint paper from Canada to the United States by the Atlantic or Pacific seaboards has been at a practical standstill due to enemy submarine action and the scarcity of shipping.

Consequently paper moving into New York and other port centres has had to move by rail at considerably increased costs to the manufacturers who sell on a delivered basis.

This situation was brought to the attention of the O.P.A. and a higher price requested but again the plea was turned down.

Possibilities of having Ottawa make representations to Washington on this matter have been explored, so far apparently, with little success.

Canadian Newsprint Delivered at New York
(Yearly Average Price)

1915	$42.00	1929	$62.00
1916	51.78	1930	62.00
1917	63.78	1931	57.00
1918	64.90	1932	48.33
1919	80.15	1933	41.25
1920	112.60	1934	40.00
1921	111.45	1935	41.00
1922	75.00	1936	41.00
1923	81.80	1937	42.50
1924	79.30	1938	50.00
1925	76.00	1939	50.00
1926	70.00	1940	50.00
1927	70.00	1941	50.00
1928	67.50	1942	50.00

Correspondence

Is Newsprint Price Too Low?

Production Costs Above $50 a Ton, Says Accountant

The writer of this letter is the senior member of a well-known firm of chartered accountants in Montreal. As his letter implies, he has been closely associated with the newsprint industry in his professional capacity over the last two decades and more.

Editor, The Financial Post:

Newsprint is only saved from being manufactured at a dead loss because of foreign exchange, most of which goes to the benefit of American newspapers for the reason that the New York price of newsprint, $42, does not equal the cost of manufacture. Our firm has long had the opportunity of knowing the manufacturing cost of newsprint, so I am not making statements which I cannot vouch for.

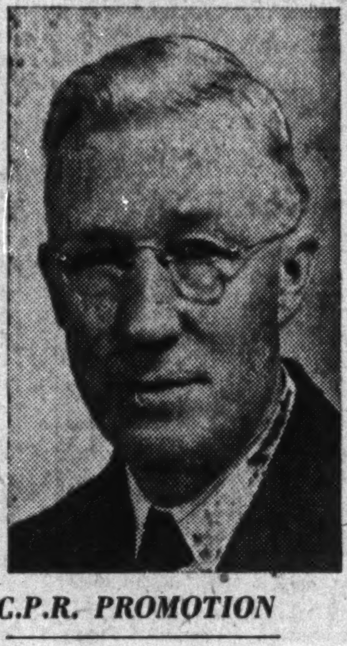
During the last war I was called upon to attend the meetings (extending over two years) of the Newsprint Price Fixing Commission at Ottawa. During this period manufacturing costs prepared by Clarkson's were presented every three months, and always the costs were shown to be considerably higher than $50, the price fixed by the government, while the United States price was steadily mounting to over $100 a ton. Still the Commissioner, for reasons best known to himself, postponed changing the price until Booths kicked over the traces. Thereupon the Commissioner fixed the price, if my memory serves me correctly, at $74, and that, not retroactive.

Today we see the same occurrence, except that instead of being controlled by a Commissioner it is in the hands of the Price Fixing Board, and quite evidently they are taking the same attitude as did the Commissioner in the previous war. To be sure, there was no attempt to fix price ceilings, nevertheless the fact is, that when every other industry is showing profit for companies' security holders, newsprint security holders except (for most companies) the bondholders, are unable to get one cent of return; the existing situation over many years.

Newsprint manufacturing is the second largest Canadian industry. We ought to be in the enviable position of being able to dispose of our forest inheritance at a profit; as it is, about 75% is exported to the United States without profit; (so far as the security holders are concerned). The Foreign Exchange Board would like to see a larger flow of capital from the United States, and can you imagine the United States selling anything to Canada at less than cost?

I think you will agree with my estimation that the newsprint mills and Canadians in general are suffering a great wrong because of the treatment accorded to them by the Price Fixing Board and the government. The reason, I believe, is that the newspapers voice to the public the personal attributes of the politicians of all parties and with this in mind, all parties stand together in desiring to give to the newspaper proprietors the belief that each and every one of them has seen to it that the newspaper proprietors are getting their first consideration, even if it is at the expense of the second largest industry in Canada and Canadians at large.

"Chartered Accountant"



C.P.R. PROMOTION

W. M. Thompson, assistant manager of Western Lines in the Canadian Pacific Communications Service at Winnipeg, has been promoted to assistant general manager of the system, with headquarters at Montreal. Mr. Thompson entered the company as a telegraph operator in 1902.

Newsprint Mills Give Up 75,000 h.p.

From Our Own Correspondent

MONTREAL. — Beginning this month Canada's newsprint industry contributed 75,000 h.p. of electrical energy to war industries. The Ontario Paper Co. power supply at Thorold was cut from 31,000 to 10,500 h.p., while that to the Beaver Wood Fibre at the same point was reduced from 9,000 to 5,035 h.p.

The staggering of operating hours for the Quebec newsprint mills in the area served by Shawinigan made available another 50,000 h.p.

Anglo-Canadian In Ship Business

From Our Own Correspondent

MONTREAL. — Anglo-Canadian Pulp & Paper Mills, in conjunction with the Morton Dry Dock & Shipbuilding Co. and George T. Davie & Son, will administer the new $1 million outfitting yard which is being built by the Dominion government at the Inner Basin, Quebec Harbor.

The yard is designed to speed the outfitting and production of convoy escort vessels. The work will start at once. The project will be completed and in partial operation this fall, according to Desmond A. Clarke, Director-general of the Shipbuilding Branch of the Department of Munitions and Supply. Meanwhile, he added, some escort vessels outfitting will be handled immediately, as docks and two buildings are available already.

On completion of the five main buildings it is expected the new facilities at Quebec will be large enough to handle the finishing of the bulk of new escort ships being built in Quebec district yards.

Newfoundland Canada Steamship Ltd. has called for redemption on Oct. 15 next, all of its outstanding bonds at 100 and accrued interest. These bonds were issued in 1934.

When in MONTREAL

MEN of affairs naturally stop at The Windsor because of its convenient location and its well-established reputation for courtesy, comfort and service.

The Windsor is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE

J. ALDERIC RAYMOND
PRESIDENT

Company Reports

Gatineau Power

tineau Power Co. reports relatively sharp increase gross income for the second ter of 1942 compared with the period a year ago. The advance 2,727 was nearly all carried for- to net profit, with the result earnings on the common shares ped to 26 cents as against 18 s a share for the second quarter 941.

3 Months Ended June 30	1942 $	1941 $
income	$2,609,840	$2,447,113
Oper. exps.	258,006	247,208
ntenance	57,752	62,514
provision*	518,453	476,136
evenue	1,775,629	1,661,255
Bond int.	587,951	588,652
r interest	177,047	187,860
ange loss	55,923	50,840
eciation	300,000	300,000
t discount	41,209	42,652
r dividends	613,499	485,851

B. Greening Wire

Greening Wire Co., Hamilton, s net profit of 95 cents a share common for the year ended 30, 1942, against $1.34 a share e preceding year. The latest s are after providing for $100,- a reserve against a decline in tory values and $60,000 as spe- depreciation, two items which ximately account for the de- in net without allowing for the r taxes.

B. Greening, president, ex- the two items mentioned as s:

ur directors considered that o an abnormally high inventory 30 it is advisable to set up a er reserve, also extra deprecia- for excessive wear and tear on inery and equipment due to the hours and intensive operation e plant."

Greening states that manu- ring activity has been main- d at higher levels than previ- thought possible and that a percentage of the company's ment and products have been rted to wartime needs. His amme for postwar changes and provides that the company :

Be in a position to manufac- e at low cost.

Give to its peacetime custom- high service and quality to re- goodwill.

Keep as many workers em- yed as possible and maintain idends through a possible post- period of depression.

Carry out such reconstruction may be found necessary.

do this, he feels that the com- 's financial position should be gthened.

Income and Surplus Account Years Ended June 30	1942 $	1941 $
ting profit	1,032,383	814,589
Exec. remun.	58,000	45,000
ectors' fees	1,410	1,390
al fees	250	1,291
preciation	62,400	60,295
c. deprec.	60,000	......
and E. P. taxes	570,000	450,000
ents w/o	1,639	1,639
ntory res.	100,000	......
rofit	181,685	254,974
Com. divds.	114,000	114,000
for year	67,685	140,974
Prev. surp.	821,073	696,509
Loss on assets	619	16,410
d surp. fwd.	888,139	821,073
d per Share:		
mon	$0.95	$1.34
Paid	0.60	0.60
Working Capital	$	$
nt assets	1,633,407	1,506,258
nt liabilities	603,355	621,664
ing capital	1,030,052	884,594
Balance Sheet Changes	$	$
	24,561	268,541
ments	638,038	274,800
ories	533,453	451,854

Toronto Elevators

All departments of Toronto Elevators Ltd. are currently engaged at a satisfactory level, G. C. Leitch, president, in the company's fourteenth annual report. A continuance of this condition is anticipated for the current year.

Depreciation charges were considerably higher due to accelerated depreciation on the temporary storage warehouse at Sarnia. During the year loans from the City of Sarnia were reduced by $45,676, a similar amount maturing over the next year leaving total outstanding at $324,689. A total of 1,364 preferred shares were redeemed at cost of $68,200, leaving 27,369 shares outstanding.

Cons. Income and Surplus Account Years Ended July 31	1942 $	1941 $
Operating profit	884,075	613,136
Less: Depreciation	233,814	98,223
Interest	26,425	21,285
Income & E. P. tax.	*328,307	225,218
Net profit	295,528	268,410
Less: Pref. divds.	73,425	76,218
Common divds.	104,636	52,318
Surplus for year	117,467	139,874
Add: Prev. surplus	510,006	367,792
Prof. red. pref.	......	2,340
Refundable tax portion	*4,759	......
Earned surplus forw'd	632,232	510,006

*Company statement shows refundable portion of tax as a deduction from total tax provision. As this is not immediately available for distribution it is not included here in net profit available for dividends.

Earned per share:		
Preferred	$10.79	$9.34
Paid	2.62½	2.62½
Common	4.24	3.67
Paid	2.00	1.00
Working Capital	$	$
Current assets	5,109,584	4,244,560
Current liabilities	4,014,171	3,168,219
Working capital	1,095,413	1,076,341
Balance Sheet Changes		
Cash	220,747	222,341
Accounts receivable	355,745	195,943
Inventories	4,066,404	3,019,155
Bank loans	3,030,000	2,530,000
Fixed assets	3,639,094	3,527,396
Less: Depreciation	1,463,130	1,227,628

Canada Northern Income Declines

Both Gross and Net Income on Lower Scale This Year

From Our Own Correspondent

MONTREAL. — Canada Northern Power Co.'s gross and net income continues on a lower basis than a year ago.

During August the company had a gross income of $366,170, or $53,524 less than for the like month last year. This reflects the loss of the Lake Shore and Noranda contracts.

Part of the loss was picked up in operating economies, but net earnings of $215,276 were $17,845 less than a year ago.

For the first eight months of this year gross figures were off $313,447. Nearly $275,000 was saved in lower operating expenses, leaving net income of $1,840,642. This contrasts with $1,879,240 for the same period of 1941.

August	1942 $	1941 $
Gross earnings	$ 366,170	$ 419,694
Less: Oper. exps.	150,894	186,573
Net earnings	215,276	233,121
Eight Months Ended August		
Gross earnings	3,044,041	3,357,488
Less: Oper. exps.	1,203,399	1,478,248
Net earnings	1,840,642	1,879,240

Note:—Operating expenses do not include income and excess profits taxes.

West Canadian Hydro

West Canadian Hydro-Electric Corp. reports net profit of $47,861 for the year ended June 30, 1942, compared with $68,086. Revenue for the year was practically unchanged at $479,740. Largely accounting for the drop in net was an increase of some $6,000 in expenses and $12,000 in funded debt interest payments. Working capital stands at $155,458 compared with $109,843 a year ago.

Funded debt outstanding increased some $800,000 to $2.9 millions, reflecting acquisition of Pacific Power & Water Co.

Doubling of the company's generating capacity at the Shuswap Falls plant has been practically completed and delivery of power to West Kootenay Power & Light Co. will start soon.

Pacific Power & Water was not acquired until the end of June and its earnings were not taken into consideration in this year's statement. Next year, however, the operations will be incorporated in the general statement, allowing a clearer over-all picture.

Cons. Income & Surplus Account Years Ended June 30	1942 $	1941 $
Revenue	479,740	479,540
Add: Other income	8,229	7,074
Less: Oper. exps.	258,971	250,475
Bond int., etc.	148,636	132,524
Taxes	32,500	35,527
Net profit	47,861	68,086
Less: Pref. divds.	43,048	43,048
Com. divds.	10,000	10,000
Surplus for year	*5,187	15,038
Add: Prev. surplus	86,867	74,728
Tax adjust.	8,483	......
Less: Share acq. w/o	1,292	......
Deb. exp.	......	2,896
Surplus forward	88,871	86,867
*Deficit.		
Earned per share:		
Preferred	‡$0.89	‡$1.27
Paid	0.80	0.80
Common	0.05	0.18
Paid	0.10	0.10
‡Before participation.		
Working Capital	$	$
Current assets	255,981	218,287
Current liabilities	100,523	94,422
Working capital	155,458	123,865

U. S. Paperboard Mills Step Up Operations

From Our Own Correspondent

MONTREAL. — Production of paperboard in the United States in August totalled 430,286 tons, an increase of 7.2% over the output in the preceding month. Compared with August last year production shows a drop of 115,000 tons.

New orders received by the mills during the month increased 29,431 tons, while unfilled orders at the end of the month showed a slight decrease from those reported for July, 1942. Business on hand amounted to 170,273 tons, as against 452,966 tons a year ago.

Hinde & Dauch Holds Fast Pace

Company Expects to Feel Effects of Industrial Concentration

Production in all divisions of Hinde & Dauch Paper Co. of Canada in the third quarter of this year continued at relatively the same pace as the first six months, said L. F. Winchell, vice-president and general manager, in a statement to shareholders.

Current demand is expected to carry through the last quarter, subject to the usual year-end decline.

The expected manpower and electric power shortages now make it appear that industries with which the company is affiliated are likely to be more extensively restricted. Mr. Winchell suggests that it is possible there may be some concentration of production, resulting in part time or total shut downs for some plants. How Hinde & Dauch will be affected remains to be seen.

Roughly 90% of the company's principal raw materials are salvaged and are especially important under war economy. Its record as to tonnage production per manpower and horsepower is comparatively high. A majority of the uses of its products are essential either to the war effort or to the maintenance of a minimized civilian standard of living. In distribution, Mr. Winchell said that the company is in an unusually good situation as a major portion of its production goes to consuming areas closely adjacent to its plants.

Dominion Coal Co. Short of Workers

From Our Own Correspondent

MONTREAL.—Dominion Coal's 10 Cape Breton collieries raised 278,659 tons to the surface in September, a decline of 11,500 tons from the previous month. The drop was attributed to the shortage of manpower and to the fact that there were fewer working days last month. Compared with Sept., 1941, when a slow down strike was in process, last month's production was up 41,000 tons.

Greater production at the mines would be possible with an increase in number of workers. Selective service officials at Glace Bay, N.S., state there are more than 500 vacancies in the collieries.

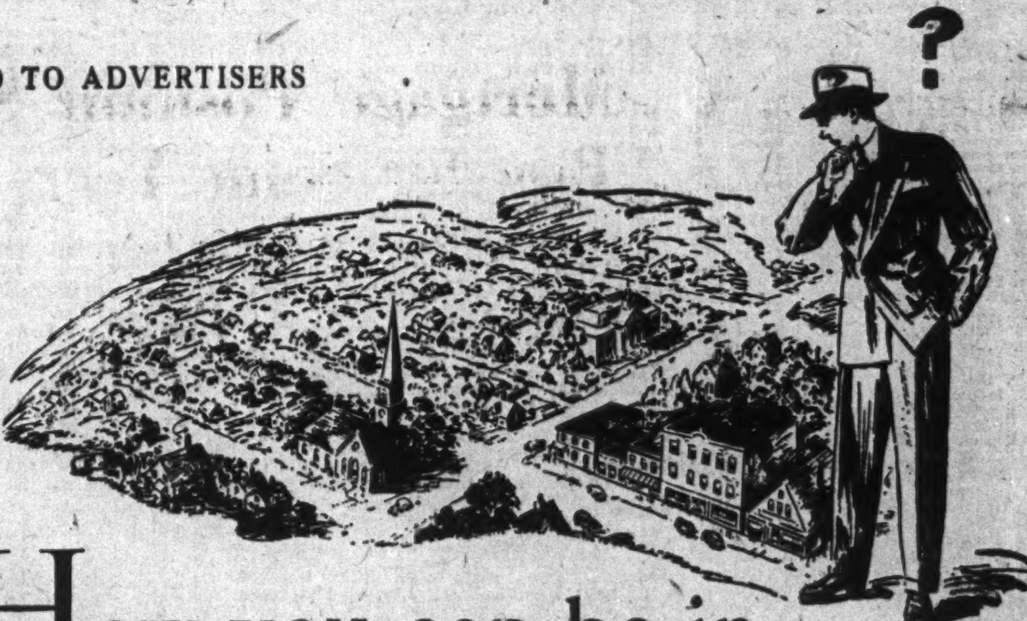
Beatty Bros. is building a $50,000 addition to its foundry in London. The new building, about 250 ft. x 30 ft. of one story brick construction, will provide space for heating and ventilating equipment for the main plant and provide sand storage and shipping space.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning directly or through subsidiary companies, mills at

Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp



● MEMO TO ADVERTISERS

How you can be in a lot of places . . . *at one time*

If you could make regular, personal calls on your best customers and prospects and talk to them about your merchandise and service, that would be the most effective kind of selling.

Of course that is not possible but you *can* give a friendly, newsy talk about your business to the best families in our community through the advertising columns of this newspaper. You can describe your merchandise or service, quote prices and *sell* to a lot of people at one time.

But you wouldn't make a lot of personal calls at random, would you? It's just as important that you know where your advertising goes. That's the reason this newspaper is a member of the Audit Bureau of Circulations, so we can give you audited facts and figures about our circulation—where, how much, how obtained, how much people pay for this paper and other essential information that you should know and have a right to know when you make an investment in advertising.

The Bureau is a cooperative association of 2000 publishers, advertising agencies and advertisers in the United States and Canada. Organized in 1914, its purpose is to furnish advertisers with verified information about the circulation of its publisher members.

The Bureau maintains a large staff of trained auditors who make an annual audit of the circulation records of each A.B.C. publication. With the facts thus obtained, published in A.B.C. reports, it becomes possible for advertisers to select media and buy space on the basis of known and verified circulation values.

THE FINANCIAL POST

ABC *This newspaper is a member of the Audit Bureau of Circulations. Ask for a copy of our latest A. B. C. report giving audited facts and figures about our circulation.*

A. B. C. = AUDIT BUREAU OF CIRCULATIONS = FACTS AS A MEASURE OF ADVERTISING VALUE

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING OCTOBER 5

A

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
.75	.40	.	...	Abitibi	1144	.50	.55	.50	.55
7	3½	.	...	Do. pref. 6%.	725	4½	4½	4½	4½
25	13	.	...	Do. pref. 7%.	10	13½	13½	13½	13½
3	3	.	...	Acme Glove	25	3	3	3	3
60	48½	6.50	13.4	Do. pref.	....	(— bid 60 asked)			
13	11	80+20c	10	Agnew Surp.	....	(11 bid — asked)			
110	106½	7	6.5	Do. pref.	....	(108 bid — asked)			
.95	.75	.	...	Alta. Pac. Gr.	....	(.50 bid .80 asked)			
28½	21½	.	...	Do. pref.	174	28½	28½	28	28
9½	8	.	...	Algoma Steel	100	8¼	8½	8¼	8¼
84	81½	5	6.1	Do. pref.	15	82	81½	81½	81½
109	80	8+2	12.2	Aluminium	1000	82	82½	80	80
118	111½	6	5.4	Do. pref.	....	(110 bid — asked)			
7½	6	50c	..	Amal. Electric	....	(6 bid — asked)			
†37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
43	40	2.75	6.5	Ang. Can. Tel. p	....	(40 bid 44 asked)			
19	16	80+40c	6	Asbestos	427	18½	19	17½	19
18½	13½	1.75	12.5	Assoc. Brew.	65	13½	14½	14	14½
112	109½	7	6.2	Do. pref.	....	(110½ bid — asked)			
†1	1	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
†24	24	.	...	Do. pref.	....	(— bid 23 asked)			
102½	102	5.50	5.4	Ault & Wiborg	....	(102 bid — asked)			

B

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
150	115	6	5.2	Bk. Can. Nat.	8	115	116	115	116
189	124½	6	4.6	Bk. Montreal	70	127	132	125	132
275	212	10	4.6	Bk. N. Scotia	70	218½	214½	212	214
255	212	10	4.7	Bk. Toronto	....	(212 bid 220 asked)			
8½	8½	47½c	..	Barber Ellis	....	(6 bid — asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.50	.	...	Barker's Bread	....	(.50 bid 1.00 asked)			
18	12	.	...	Do. pref.	20	17	18	18	18
14½	10½	1+50c	12	Bathurst Pr.	596	11½	12½	11½	12½
2.25	1.00	.	...	Do. (B)	109	1.50	1.75	1.00	1.50
8	5	80c	...	Beath & Sons.	75	6	5	5	5
8	6½	.	...	Beatty Bros.	....	(8 bid 8½ asked)			
110	102	6	5.4	Do. pref.	....	(109 bid — asked)			
100	76	7	7	Do. 2nd pref.	....	(101½ bid 110 asked)			
9½	9½	.	...	Beauharnois	111	9¾	9¾	9¾	9¾
81	81	4+2	7.4	Belding Cort.	....	(80 bid — asked)			
124	115	7	6	Do. pref.	....	(116 bid — asked)			
150½	123	8	5.9	Bell Telephone	223	134½	135	133	133
7	6	30+10c	6½	Bertram & Sons	....	(6½ bid — asked)			
7½	6	60c	10	Biltmore Hats	....	(— bid 6½ asked)			
3	2½	.	..	Blue Ribbon	500	2¼	2¼	2¼	2¼
32½	24	2.50	10	Do. pref.	....	(20 bid 25 asked)			
10½	10½	60c	5.6	Blue Top Br. A.	....	(10 bid — asked)			
10½	8	.	...	Do. "B"	....	(9 bid 10 asked)			
3½	3	.	...	Brand. Hender.	....	(3 bid — asked)			
21	20½	1.30	...	Brant. Cord. pf.	....	(21½ bid — asked)			
11¾	6	40c	...	Brazilian Tr.	1943	11	11	10½	10½
5½	3½	50+10c	..	Brew. & Distil.	110	4¾	4¾	4¾	4¾
†6½	6½	.	...	Bright, T. G.	....	(6½ bid — asked)			
†90	90	6	6.7	Do. pref.	....	(90 bid — asked)			
18	13	1	6.3	Brit. Amer. Oil	1640	15½	16	13½	16
16	12	1.50	...	B. C. Packers	75	15	14½	14½	14½
22	17	2	9.7	B. C. Power A.	95	20½	21	20½	20½
1.25	.75	.	...	Do. (B)	35	1.00	1.00	1.00	1.00
6	4½	30c	...	Bruck S. Mills	5	5¼	4¾	4¾	4¾
14	11½	70+10c	7	Building Prod.	90	11¾	11¾	11¾	11¾
8½	7½	60c	7.7	Burlington St'l.	35	7¾	7¾	7¾	7¾

C

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
..	..	.	...	Caldwell Linen.	....	(4 bid — asked)			
23½	22½	1.50	6.7	Do. 1st pref.	10	22½	22½	22½	22½
9¾	9	80c	8.9	Do. 2nd pref.	....	(9 bid 10½ asked)			
†70	70	.	...	Calgary Power	....	(— bid — asked)			
102	97	6	6.2	Do. pref.	30	97	97¾	97½	97¾
2¾	1½	.	...	Canada Bread	....	(2⅜ bid 2½ asked)			
103	98½	6	6	Do. pref.	....	(100 bid — asked)			
46	30	2.50	7.2	Do. pref. B.	....	(34 bid 39 asked)			
6	5	40c	6.9	Canada Bud	70	5¾	5¾	5¾	5¾
5	3½	.	...	Canada Cement	110	4	4	4	4
102	90	6.50	7.1	Do. pref.	153	91½	93	91½	93
†5½	5½	40c	..	Can. Cr. Stone	....	(3½ bid — asked)			
106	102	5	4.8	Canada Cycle, p	....	(103½ bid — asked)			
20¾	13	95c	...	C. & D. Sugar.	955	13¾	13½	13	13
19	15	1.50	...	Can. Forg. (A)	....	(16 bid 20 asked)			
20	18¾	1.50	...	Do. (B)	....	(17 bid — asked)			
60	50	.	...	Can. Iron	24	60	55	55	55
90	80	6	7	Do. pref.	....	(— bid 90 asked)			
38	32½	2+50c	.7	Can. Malting	55	33½	34½	34½	34½
5¾	4	60c	12	Can. Nor. Pr.	75	4½	5	4½	5
88	78½	7	8.5	Do. pref.	35	83¾	82½	82	82
87	74½	4	5.1	Can. Packers	120	77	79	77	79
126	110½	8	7.1	Can. Perman.	10	110½	112½	112½	112½
9	8½	50c	...	Can. Starch	....	(8 bid — asked)			
113	111	7	6.2	Do. pref.	....	(108 bid — asked)			
7½	5	.	...	Can. Steamsh's.	1957	7½	7¾	7½	7¾
29½	25½	2.50	8.4	Do. pref.	1411	28½	29¾	28½	29½
7½	4½	40+10c	10	Can. Vinegars.	....	(5½ bid 5½ asked)			
57	49	4	8	Can. W. Cable.	....	(49 bid 49½ asked)			
24¾	14	2	14.2	Do. (B)	....	(15 bid 16¾ asked)			
108	104½	6.50	6.2	Do. pref.	....	(105 bid — asked)			
2.00	.80	.	...	Can. Bakeries.	510	1.50	2.00	2.00	2.00
60	48½	‡7.50	...	Do. pref.	10	60	60	60	60
154	115	6	5	Can. Bk. Com.	92	121	122	120	120
1.45	1.00	.	...	Can. Breweries	500	1.00	1.10	1.00	1.00
31	26½	3.40	12.6	Do. pref.	40	26½	27¾	26¾	27½
32	27½	1.50+50	7	Can. Bronze	15	29	29	29	29
105½	105	5	4.8	Do. pref.	....	(105 bid — asked)			
6	4½	50c	10	Can. Canners.	10	5	5½	5½	5½
22	16	1+20c■	6.7	Do. 1st pfd.	5	18½	18	18	18
9½	8	60+20c■	9½	Do. 2nd pfd.	300	8½	8½	8½	8½
7	4½	.	...	Can. Car & F'y	1210	6½	6½	6	6½
26	21½	1.75	6.8	Do. pref.	2055	25½	26	25½	26
27½	21½	1+1	8½	Can. Celanese.	551	24	24	23	23½
125½	118½	7+1.15■	6½	Do. pref.	90	122	122	122	122
23	21½	1	4.6	Do. Rights	150	21½	22½	22	22
17½	15	2	13.3	Can. Convert.	....	(15 bid 17 asked)			
102½	98	4+2	6	Can. Cottons	40	100	100	100	100
117	113	6	5.2	Do. pref.	51	115	116	116	116
14½	9	.	...	Can. Dredge	....	(11½ bid 14 asked)			
100	98	6	6	Can. Fairb. pf.	....	(98½ bid — asked)			
23	15	2	10	Can. For. Inv.	50	20	23	23	23
105	105	8	7.6	Do. pref.	....	(105½ bid — asked)			
215	208½	8	3.7	Can. Gen. Elec.	....	(151 bid — asked)			
7½	6½	50c	6.7	Can. G. Inv.	50	6¾	7½	7½	7½
3½	3	10c	...	Can. Ind. Alc.	375	3½	3½	3½	3½
3¾	2	10c	...	Do. (B)	....	(3½ bid 3¾ asked)			
167	127½	6	4.6	Can. Indust. B.	75	130	129½	127½	129½
175	152	7	4.4	Do. pref.	200	158	158	158	158
.36	.06	.	...	Can. Int. I. Tr.	....	(.10 bid .20 asked)			
40	39	2	5.1	Do. pref.	....	(35 bid — asked)			
13½	12	1	8	Can. Lt. & Pr.	40	12½	12½	12½	12½
9½	7	.	...	Can. Locomo.	....	(6½ bid — asked)			
.75	.45	4c	...	Can. Marconi	500	.50	.75	.65	.75
15	10	50+70c	8	Can. Oil	10	10	14½	14½	14½
123	105	8	7.6	Do. pref.	....	(100 bid 115 asked)			
6¾	5	.	...	Can. Pacific	19530	6½	6¾	6½	6¾
.35	.10	.	...	C. Pr. & Pa. In.	113	.15	.20	.20	.20
1.50	.40	.	...	Do. pref.	....	(1.25 bid 2.00 asked)			
4	4	.	...	C. Tube & Stl.	....	(4 bid 5½ asked)			
..	..	‡5.25	...	Do. pref.	....	(101 bid 102 asked)			
5	5	.	...	Do. 2nd pref.	....	(5 bid 7 asked)			
3¾	2	.	...	Can. Vickers	160	3	3½	3½	3½
27½	20	.	...	Do. pref.	200	23	23¾	23	23½
9½	9	1	...	C. Wallpaper A.	....	(9 bid — asked)			
10	8	1	...	Do. (B)	....	(9 bid 10 asked)			
42½	37	2	5.4	Can. West'ho'se	....	(34½ bid — asked)			
20	17¾	1.50+50c▲	8	C. Wire Box	....	(19 bid 20 asked)			
1.20	.80	.	...	Capital Estates	....	(— bid 1.00 asked)			
121	114	5	4.3	Carnation, pfd.	....	(112½ bid — asked)			
6½	5	.	...	Catelli Food	....	(6 bid 7 asked)			
10	8	75c	...	Do. pref.	....	(10 bid — asked)			
†2.00	1.50	.	...	Celtic Knit	....	(1.50 bid 2.25 asked)			
†155	145	8	5.5	Cent. Can. L'n.	....	(— bid 135 asked)			
95	80	4	4.2	Chart. Trust	....	(— bid 89 asked)			
3½	2	.	...	Ch. Gai Wines.	....	(2 bid 2½ asked)			
.12½	.05	.	...	Chem. Research	....	(.05¾ bid .11 asked)			
.25	.20	.	...	City Gas & El.	....	(.15 bid .20 asked)			
.05	.05	.	...	Claude Neon	....	(.01 bid .05 asked)			
1.42	1.00	12c	...	Coast Brew	....	(1.12 bid — asked)			
6¾	5	50c	...	Cockshutt Plow	400	6½	6¾	6½	6¾
2.37	1.90	10c	...	Comm. Alcohol	1000	1.90	1.90	1.90	1.90
6½	5½	40c	6.7	Do. pref.	....	(6 bid 6½ asked)			
3¾	3¾	40c	...	Conduits Nat.	....	(3½ bid 4½ asked)			
10½	8½	60c	6.5	Cons. Bakeries.	13	9¾	9½	9½	9½
.02	.01	.	...	Cons. Div. Sec.	....	(.01 bid .05 asked)			
7½	4½	75c	...	Do. pref.	....	(.05 bid — asked)			
3.37	1.50	.	...	Cons. Paper	5148	1.90	2.12	1.80	2.00
4	2	.	...	Cons. Press	....	(2 bid 4 asked)			
81½	75	3.50	...	Cons. Sand, pf.	....	(75 bid 81½ asked)			
39	32	1+1.50	7.3	Cons. Smelt.	2100	34	34	33¾	34
132	109	8	7.2	Consumers' Gas	11	111	111	110	110½
69	50	7	12.7	Corr. P. Box, p.	20	57	55	55	55
23	18	1.20+15c	6½	Cosmos Imp.	35	20	21	21	21
24½	20	2	10	Crown Cork	....	(18 bid — asked)			
1.50	1.25	.	...	Crown Dom Oil	....	(1.25 bid — asked)			
34½	27½	3	10.2	Crow's N. Coal.	....	(29½ bid — asked)			
.70	.35	.	...	Cub Aircraft	....	(.40 bid — asked)			

D, E

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
10½	8	1+15c	...	David & Fre. A.	20	8	9½	9½	9½
1.50	1.50	.	...	Do. (B)	....	(.50 bid 1.00 asked)			
7	7	.	...	de Havilland	....	(— bid 6½ asked)			
80	75	7+5.25▲	..	Do. pref.	....	(75 bid — asked)			
1.15	1.00	.	...	Disher Steel	....	(— bid .75 asked)			
10	6	1.50	...	Do. pref.	....	(5 bid 11½ asked)			
26½	21	2.22	9	Distil.-Seagram	1900	23½	25¼	24	24
97½	90	5	5.2	Do. pref.	....	(95 bid — asked)			
†30	30	4	...	Dom. Ang. Inv.	....	(22 bid — asked)			
†75	70	5	...	Do. pref.	....	(75 bid 84 asked)			
191	135	8	5.7	Dom. Bank	....	(140 bid 142 asked)			
24	20	1.20	5.8	Dom. Bridge	280	20¾	21	20½	20½
15½	9½	.	...	Dom. Coal, pf.	30	10	9¾	9½	9½
25	18	.	...	Dom. Engineer.	25	19	18	18	18
19	16½	1+25c	6½	Dom. Foundries	350	18¾	19	18½	19
106½	103½	6	5.7	Do. pref.	....	(105 bid 110 asked)			
117	110	5	4.3	Dom. Glass	5	117	117	117	117
152½	150	7	4.7	Do. pref.	....	(150 bid — asked)			
25	20½	1.20+40c	7½	Dom Oilcloth	30	20¼	20½	20¼	20½
.60	.50	.	...	Dom. Scot. Inv.	....	(— bid .50 asked)			
24½	20	2	...	Do. pref.	....	(22 bid 27 asked)			
1½	1½	.	...	Dom. Square	....	(1½ bid — asked)			
9½	5½	.	...	Dom. St. & C.B.	796	7¾	7¾	7¾	7¾
5½	3½	20c	...	Dom. Stores	155	5½	5¾	5½	5½
4½	3	.	...	Dom. Tar & Ch.	485	3½	4	3½	4
88	83	5.50	6.3	Do. pref.	11	87	87½	86½	86½
82½	66	5	7	Dom. Textile	95	70	71	70	71
154	150	7	4.6	Do. pref.	11	150	151	151	151
1.30	.60	.	...	Dom. Woollens	25	1.25	1.25	1.25	1.25
8	6½	60c	8.2	Do. pref.	....	(7½ bid 8 asked)			
4	2	‡10c	..	Donnacona P.	535	2¾	3	2¾	2¾
6	3½	.	...	Dryden Paper.	185	4	4½	4	4
†.50	.50	.	...	East Koot. Pr.	....	(— bid — asked)			
8	6	.	...	Do. pref.	....	(6 bid 9 asked)			
.50	.25	.	...	East Dairies	....	(.55 bid 1.00 asked)			
10	6½	.	...	Do. pref.	90	9	8½	8	8½
13	10	1	8.3	East Steel	....	(11½ bid 12¾ asked)			
6½	6½	.	...	East Theat.	....	(6 bid — asked)			
3	2½	.	...	Easy Washing.	....	(2¾ bid 4½ asked)			
25	25	2	...	Economic Inv.	....	(— bid 23 asked)			
5	2½	.	...	Electrolux	....	(3½ bid 4½ asked)			
3½	2½	.	...	Enam. & Heat.	....	(2½ bid 2¾ asked)			
29½	19	2.50	12.5	English Electric	....	(22 bid 24 asked)			
3½	1½	.	...	Do. (B)	24	3½	3½	2¾	3½
8½	4½	15c	...	Equitable Life	....	(4½ bid 6 asked)			

F, G

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
3¾	1½	25c	...	Fairchild Air.	1730	2¼	3¼	2⅛	3¼
19½	15	1	6.7	Fam. Players	....	(15 bid 16 asked)			
22½	15	1.50+25c	11½	Fanny Farm	65	18½	18½	15	18½
3¾	2½	.	...	Fleet Aircraft.	2285	2¼	3¼	2¼	3¼
.20	.20	.	...	Fleury Bissell	....	(.20 bid .50 asked)			
10	10	.	...	Do. pref.	....	(10 bid 14 asked)			
20	14½	1	5	Ford Motor A.	2112	19½	20	19½	20
19½	14½	1	5.1	Do. (B)	25	18¾	19½	19½	19½
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16½	12	‡1.20+50c	...	Foundation Co.	....	(13 bid 14½ asked)			
13	7	.	...	Fraser Cos.	....	(8½ bid — asked)			
13½	7½	.	...	Do. Vot. Tr.	249	9¼	9¼	9	9¼
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
55	55	1.50	...	Do. pref.	....	(55 bid — asked)			
6¾	4¾	60c	9.6	Gatineau Pwr.	60	6½	6½	6½	6½
77½	61½	5	6.9	Do. pref.	10	71½	72½	72½	72½
80	70	5.50	7.6	Do. 5½% pref.	41	75	75½	72	72
.15	.15	.	...	Do. Rights	....	(— bid .15 asked)			
6½	5	30c	...	Gen. St. Wares	315	5¾	6	5¾	5¾
92	83	7+53c■	9	Do. pref.	33	85	85	83	83
60	31½	2.50+2.50	5	Goodyear Tire.	35	51	53	49½	53
50	39	2.50	5	Do. pref.	265	49½	50	49½	50
†67	67	‡4	...	Gould Pumps.	....	(— bid — asked)			
†4.00	2.50	.	...	Gt. Lakes Pap.	....	(1.00 bid — asked)			
†16	16	‡75c	...	Do. pref.	....	(5 bid 20 asked)			
2.50	1.00	.	...	Do. Vot. tr. c.	24	1.75	1.50	1.50	1.50
16½	11	‡75c	...	Do. Vot. tr. p	254	12	12	11	11¾
4½	3½	.	...	Gt. W. Saddlery	....	(— bid 4 asked)			
28	24	3	...	Do. pref.	10	27½	24	24	24
11½	10	60c	5.8	Greening Wire.	....	(8¾ bid 10½ asked)			
‡1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
4	2	.	...	Gurd, Chas.	50	4	3½	3½	3½
70	70	.	...	Do. pref.	....	(— bid — asked)			
3½	2½	.	...	Gypsum, Lime.	310	2¼	3¼	3	3

H, I

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
14½	14½	1	...	Halifax Fire	....	(14½ bid — asked)			
3¾	2	.	...	Ham. Bridge	390	3½	3½	3	3½
36	28	2	6.2	Ham. Cot., pf.	....	(30½ bid — asked)			
1.50	.65	.	...	Ham. U. Theat.	....	(.65 bid 1.40 asked)			
76½	73	5	6.5	Do. pref.	....	(70 bid 90 asked)			
3½	2½	20+10c	..	Harding Carpet	....	(3 bid 3½ asked)			
..	..	.	..	Hillcrest Coll.	....	(.20 bid .90 asked)			
14	9½	‡75c	..	Hinde & Dauch	100	12½	12	12	12
5	5	.	...	Holt Renfrew	....	(— bid — asked)			
65	40	.	...	Do. pref.	....	(40 bid 61 asked)			
19	16	2	11.1	Honey Dew	....	(18½ bid 20 asked)			
14	8	.	...	H. Smith Pap.	85	8½	8½	8½	8½
100	94½	6	6.3	Do., pref.	30	96	94½	94½	94½
9¾	3	50c	...	Humberstone S.	....	(6 bid — asked)			
8½	6	.	...	Hunts (A)	....	(— bid 6 asked)			
8½	7	.	...	Do. (B)	....	(— bid 8 asked)			
55	46	4	8.3	Huron & E. Mt.	30	48	46½	46½	46½
8	7	80c	...	Do. 20% pd.	210	7½	7	7	7
1.00	.50	.	...	Hydro Electric	150	.50	1.00	1.00	1.00
204	150	8	5.2	Imperial Bank	18	152	152½	152½	152½
†275	275	15	...	Imperial Life	....	(— bid 275 asked)			
10	7½	50c	5.2	Imperial Oil	2638	9¾	9¾	9½	9¾
12½	9½	40+17½c	5½	Imperial Tob.	410	9¾	10	9¾	9¾
7½	6½	6%	4.5	Do. pref.	225	6¾	6¾	6¾	6¾
8½	7½	50+10c	8	Imp. Varnish	....	(— bid 8½ asked)			
28½	27½	1.50	5.3	Do. pref.	....	(26½ bid 28 asked)			
9¾	6½	.	...	Indust. Accept.	....	(7½ bid 9 asked)			
26	22	3	...	Inter-City Bak.	....	(27½ bid — asked)			
25	35	5	...	Inter'c Coal	....	(— bid — asked)			
‡120	120	8	...	Do. pref.	....	(— bid — asked)			
12½	10	1.50	14.2	Inter. Bronze	....	(12 bid — asked)			
23	20	1.50	6.5	Do. pref.	45	23	22¾	22¾	22¾
.25	.25	3c	..	Int. Coal & C.	....	(.25 bid .40 asked)			
7¾	5	.	...	Int. Metal Ind.	....	(6 bid 6½ asked)			
99	85	6	6.7	Do. pref.	20	90½	90	90	90
92	85	6	6.8	Do. pref. A	10	85	88	88	88
115	111	5	4.4	Int. Mill., pf.	25	112¾	112¾	112¾	112¾
36½	29	2	6.2	Int. Nickel	2284	32½	32½	31¾	32½
157¾	143	7	4.7	Do. pref.	....	(— bid — asked)			
1.50	1.05	.	...	Int. Paints	....	(1.00 bid 2.00 asked)			
15	13	1+25c▲	7½	Do. pref.	....	(12½ bid 15 asked)			
16	10½	.	..	Int. Pap. & P.	....	(— bid — asked)			
65	52½	5	9.5	Do. pref.	....	(— bid — asked)			
14	11	1	7.3	Int. Pete.	1946	13¾	14	13¾	13¾
4	2	.	...	Int. Power	50	3¾	4	4	4
90	85	7	8	Do. pref.	5	87½	87	87	87
•11¾	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3¾	.	...	Do. (B)	....	(— bid 4 asked)			
3½	2	.	...	Int. Util. (A)	....	(2¾ bid — asked)			
.15	.03	.	...	Do. (B)	200	.10	.10	.10	.10

J, K, L

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
†13	13	68c	...	Jam. Pub. Ser.	....	(— bid 12½ asked)			
115	100	7	7	Do. pref.	....	(100 bid — asked)			
8½	7	.	...	Kelvinator	....	(— bid 8½ asked)			
10	4	.	...	L. St. John Pr.	20	4	6	6	6
17½	14¾	1.20	6.8	Lake of Woods.	305	16½	17½	17	17½
118	113	7	6.1	Do. pref.	....	(115 bid — asked)			
54	47	4	7.4	Landed Bank	....	(50 bid 54 asked)			
12	8	70+30c	10	Lang, J. A.	200	9¼	9¾	9¼	9¾
•3½	2½	.	...	Langley's	....	(— bid — asked)			
23	19½	2	...	Do. pref.	....	(19 bid 24½ asked)			
10¾	6½	80c	9.7	Laura Secord	225	8½	8½	8½	8½
9½	8	.	...	Legare, pref.	....	(8 bid 9 asked)			
3	2½	10c	...	Levy Bros.	200	2¾	2¾	2¾	2¾
6½	5	.	...	Lindsay, C. W.	....	(6 bid 8 asked)			
54	50	2	...	Do. pref.	....	(50 bid — asked)			
25½	19½	1+25c	6.2	Loblaw (A)	330	20	20	19¾	20
23¾	17½	1+25c	6.9	Do. (B)	65	18	18	18	18

M

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
1.00	1.00	.	...	Mackenzie Air	....	(— bid — asked)			
2	½	.	...	Mackin. Steel	....	(— bid 3 asked)			
65	60	5	8.3	Do. pref.	....	(55 bid 75 asked)			
16	11½	75c	...	Maclaren Pr.	....	(12½ bid — asked)			
7	5	.	...	M. L. Gardens.	....	(5 bid 8¾ asked)			
6	4½	40c	8.9	Do. pref.	....	(5 bid 6½ asked)			
3	1	.	...	Maple Leaf M.	45	2	2	2	2
5½	3	.	...	Do. pref.	....	(5½ bid 5¾ asked)			
15¾	15	80+2½c	5	Maritime Tele.	....	(15 bid — asked)			
17	16½	70c	4.2	Do. pref.	....	(16 bid — asked)			
†18	14¾	.	...	Marcus Loew's.	....	(20 bid — asked)			
95	95	7	7.4	Do. pref.	....	(96½ bid — asked)			
4½	2½	.	...	Massey-Harris	2654	4	4½	4	4
13	10½	1.25	...	Do. pref.	1475	13	13	12¾	13
4½	2½	.	...	McColl Fron.	207	4	4	3½	4
95	72½	6	8.3	Do. pref.	10	85	84	84	84
1	1	.	...	Melchers	1	1	1	1	1
6½	5½	60c	10.9	Do. pref.	5	5½	5½	5½	5½
3½	2	.	...	Mercury Mills	30	2½	2½	2½	2½
44	44	2.50	5.7	Mitchell, J. S.	....	(— bid 46 asked)			
15	10½	1	...	Mitchell, Robt.	35	11¾	13½	13	13
14	12¾	1.20	8.6	Mod. Contain.	....	(13½ bid 16 asked)			
90	90	5.50	6.1	Do. pref.	....	(88¾ bid 95 asked)			
3	3	.	...	Monarch Knit.	3	..	3	3	3
65	48	7	...	Do. pref.	2	60	55	55	55
67	65	4	5.9	Montreal Cot.	55	65	67	67	67
117	111½	7	6.1	Do. pref.	72	115¾	115¾	115¾	115¾
1.00	.25	.	...	Mont. Is. Pr.	8	.25	.25	.25	.25
24	19½	1.50	7.2	Mont. L. & Pr.	1302	21¾	21¾	21	21½
50¾	49	.	...	Do. Notes	116	49½	49¾	49½	49½
14	13	1.25	...	Montreal Loan	....	(13 bid — asked)			
.80	.70	.	...	Mtl. Refrig & S	5	.75	.80	.80	.80
16	11½	1.25	...	Do. pref.	5	15½	15¾	15½	15¾
24½	20	•1.82	...	Montreal Tele.	10	24	24½	24½	24½
20	12	.	...	Montreal Trams	85	18	20	19	20
45	39	2.22+66½	7	Moore Corp.	108	41	40	39½	39½
178	156½	7	4.3	Do. pref. (A)	....	(165 bid 173 asked)			
265	235	7	3	Do. pref. (B)	5	240	238	238	238
.10	.10	.	...	Muirheads	....	(.10 bid .25 asked)			
1	1	.	...	Do. pref.	....	(2 bid 4 asked)			

N, O

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
26	23	2	8.3	Nat. Breweries.	983	23¾	24½	24	24
40	36	1.75	...	Do. pref.	....	(37 bid 38 asked)			
7	4	40c	...	Nat. Grocers	30	5¾	5¾	5¾	5¾
26	24½	1.50	5.9	Do. pref.	....	(25½ bid 26 asked)			
9½	8	.	...	N. Sew. Pipe A	....	(8½ bid 9½ asked)			
34¾	27	2	6.7	Nat. Steel Car.	344	30	30	29¾	30
138	120	8	6.7	National Tr.	....	(120 bid 132 asked)			
‡9½	9½	‡60c	..	Neon Prod.	....	(— bid — asked)			
18	10	1.75	...	Niag. W. Weav.	100	10¾	10¾	10½	10½
3½	2	.	...	Noorduyn Av.	175	2	2	2	2
.55	.25	.	...	North Star Oil.	....	(.30 bid .90 asked)			
3½	2¾	35c	12.7	Do. pref.	25	2¾	3¼	3¼	3¼
87½	86	6	6.8	N. S. L. & Pr.	....	(— bid 86½ asked)			
108¾	105½	6	5.6	Do. pref.	....	(107 bid — asked)			
22	17½	1	5.3	Ogilvie Flour	125	18½	19	19	19
155	151	7	...	Do. pref.	....	(151 bid — asked)			
110	105	5	4.8	Ontario Loan	....	(105 bid 107 asked)			
†3	3	.	...	Ont. Silknit	....	(— bid 2 asked)			
35	30	‡2	...	Do. pref.	....	(32 bid 33 asked)			
11	9	1	...	Do. Scripts	....	(10½ bid 11 asked)			
10	8	1	12.5	Ont. Steel	....	(8 bid 10 asked)			
†110	110	7	...	Do. pref.	....	(110 bid 115 asked)			
.60	.45	.	...	Orange Crush	8	.50	.50	.50	.50
3	1½	.	...	Do. pref.	....	(1½ bid — asked)			
5	4	‡20c	...	Ott. Car Air.	....	(— bid 4½ asked)			
20	12	2	10	Ottawa El. Rly.	285	14	20	19¾	20
6	4	60c	12	Ott. L. H. & Pr.	....	(5 bid 6 asked)			
81	78	5	6.2	Do. pref.	25	80	81	81	81

P, Q, R

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
†135	30	3c	..	Pacific Coyle	....	(— bid — asked)			
103	87	5	5.7	Page Hersey	....	(— bid 89 asked)			
5	5	.	...	Pantepec Oil	....	(3½ bid — asked)			
30½	30½	4	...	Paton Mfg.	....	(33 bid — asked)			
113	113	7	6.2	Do. pref.	....	(111 bid — asked)			
68	41	3	7.3	Penmans	25	42	41	41	41
124	120	6	4.9	Do. pref.	10	122	122	122	122
5	5	25c	...	People's Cr Sec	....	(4½ bid 5½ asked)			
14½	10	1	10	Photo Eng.	33	10¾	10	10	10
100½	96	7	7	Porto Rico Pr p	10	98¾	98	98	98
4½	2½	30c	...	Power Corp.	420	4	3¾	3¾	3¾
85	73	6	8.1	Do. pref.	....	(72 bid 81 asked)			
33½	31	3	9.7	Do. 2nd pref.	....	(20 bid 30½ asked)			
4¾	3	.	...	Pressed Metals.	....	(3½ bid 3¾ asked)			
11	6	.	...	Price Bros.	1325	7¾	8	7½	7½
70	45	5.50	10.2	Do. pref.	....	(54 bid 58 asked)			
6	4½	40c	7.3	Prov. Transport	25	8	5½	5½	5½
13	11	1	8	Quebec Power.	190	12½	12½	12	12
4	4	.	...	Que. Telephone	....	(4 bid — asked)			
24	24	2	...	Real Estate L'n	....	(25 bid — asked)			
5	3	50c	...	Regent Knit	....	(5 bid 5½ asked)			
21	15½	1.60	7.6	Do. pref.	....	(18½ bid 20 asked)			
3½	3	.	...	Reliance Grain.	25	3½	3½	3½	3½
75	66	6.50	7.6	Do. pref.	....	(70 bid 75 asked)			
24	17¾	2	10	River S. Mill	238	21	20	19	19
8	5¾	60c	8	Rolland Pap.	....	(6½ bid 7½ asked)			
94	90	6	6.6	Do. pref.	....	(90 bid 95 asked)			
155	115	6	4.9	Royal Bank	133	119	121	120	121
15½	12	60c	6.3	Russell Indust.	....	(12½ bid 15 asked)			
150	130½	7	5	Do. pref.	14	140	145½	145	145½

S

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
106⅛	103	5.50	5.3	Saguenay Pr. p	....	(— bid 106 asked)			
24½	24	1	4.2	Sangamo	....	(— bid 34 asked)			
8	6	.	...	Sarnia Br. (A)	....	(6 bid 7 asked)			
1	1	.	...	Do. (B)	....	(1 bid 2 asked)			
15	14½	1+50c	10	Scythes & Co.	....	(19 bid 19½ asked)			
24½	24½	1.75	7.3	Do. pref.	....	(25 bid — asked)			
14	12	90c	6.4	Shawinigan Pr.	789	14	14½	13½	14
13½	7	45c	...	Sher. Wms.	40	7	9½	9½	9½
115½	108	7	6.2	Do. pref.	....	(110 bid 114 asked)			
8½	6	40c	5.7	Silverwoods	4	7	7	7	7
8	5¾	40c	5.7	Do. pref.	123	6¾	7	7	7
10	7	60+15c	9	Simon & Sons.	....	(8 bid 8½ asked)			
105	105	7	6.7	Do. pref.	....	(102 bid — asked)			
7½	3½	.	...	Simpson, A.	....	(4 bid 8 asked)			
2¼	1	.	...	Do. (B)	2	2	2	2	2
89	65	6.50	8.7	Do. pref.	25	76	76	75½	76
†135	132	6	...	Simpson, R., pf.	....	(132 bid — asked)			
10½	8¼	80c	8.6	So. Can. Pr.	....	(9 bid 10 asked)			
103½	99½	6	5.9	Do. pref.	30	102	102½	102	102
2.00	.95	.	...	St. Law. Corp.	615	1.10	1.15	1.10	1.10
†15½	8¾	1	10.8	Do. pref. (A)	123	9¼	9¾	9¼	9¾
25	22	1.40+50c	9	St. Law. Flour	....	(20 bid — asked)			
122	115	7	6.1	Do. pref.	....	(115 bid — asked)			
43	24½	3	11.5	St. Law. Pap. p	25	27	27	26¾	26¾
11	9	1.25	...	Stand. Chem.	....	(9½ bid 11 asked)			
2	1	.	...	Stand. Clay	....	(2 bid 5 asked)			
.55	.35	.	...	St. Pav. & Mat.	111	.50	.40	.40	.40
5½	4	31½c	...	Do. pref.	....	(5 bid 5½ asked)			
4	3	40c	...	Stand. Radio	....	(3½ bid 3½ asked)			
20	13¾	60+60c	9	Stedman Bros.	....	(15 bid 20 asked)			
63¾	57	3	5	Steel of Can.	72	60	61	60½	61
70½	66½	3	4.4	Do. pref.	720	67½	67½	67	67
3	3	.	...	Sterling Coal	42	3	3	3	3
.25	.15	.	...	Stop & Shop.	....	(— bid .25 asked)			
13½	11½	80+50c■	...	Stuart, D.A., pf.	....	(11¾ bid 13 asked)			
†3½	2¾	.	...	Supersilk H. A.	....	(— bid 2 asked)			
†3	2¾	.	...	Do. (B)	....	(— bid 3 asked)			
69½	57	5	7.9	Do. pref.	....	(— bid 65 asked)			
19	18½	1+25c	6.7	Sup. Pete. ord.	....	(18½ bid 21½ asked)			
20	18¾	1+25c	6.7	Do. com.	....	(— bid 32 asked)			

T, U, V

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
11½	8½	80c	8.2	Tamblyn	190	9¾	9½	9½	9½
52¾	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
1.25	1.25	.	...	Thayers	....	(1.25 bid — asked)			
24	18	3.50	...	Do. pref.	....	(35 bid — asked)			
2¾	1	.	...	Thrift Stores	....	(2½ bid 5 asked)			
14	10	.	...	Do. pref.	....	(14½ bid 15 asked)			
8½	4	52½c	...	Tip Top Tailors	20	4¾	4¾	4¾	4¾
106	95	7	7.4	Do. pref.	33	95	95	95	95
†1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13½	12	.	...	Do. pref.	....	(16 bid 20 asked)			
20	16½	1	5.9	Tor. Elevators.	....	(17½ bid — asked)			
50	45	2.62½	5.4	Do. pref.	....	(47½ bid 50 asked)			
76	63	4	6.1	Tor. Gen. Tr.	....	(66 bid 70 asked)			
84½	50	5	9.5	Toronto Mtge.	58	60	58	52½	58
151	147	7	4.7	Tuckett Tob. p.	....	(150 bid — asked)			
3½	1	.	...	Twin City	....	(3½ bid 10 asked)			
28½	28½	3.50	...	Do. pref.	....	(38 bid — asked)			
10¾	4½	.	...	Union Gas	1096	5½	6	5½	5½
13½	12½	80c	6.1	Un. Amuse. A.	4	13½	13½	13½	13½
13½	12½	80c	6.1	Do. (B)	1	13½	13½	13½	13½
1.20	.75	.	...	United Distill	....	(1.05 bid — asked)			
36	29	3	9.7	United Fuel, pf.	85	30	31	30	31
3½	2½	.	...	Do. (B) pref.	....	(3½ bid 5 asked)			
3	¾	.	...	United Secs.	....	(4 bid — asked)			
4½	2¾	.	...	United Steel	805	3½	4	3½	3¾
3¾	3	.	...	Viau Bisc.	....	(— bid — asked)			
60	48½	5	10.2	Do. pref.	....	(47 bid — asked)			

W, Y, Z

Range 1942 High	Low	Div. Oct. 3 R'te $	Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
44	35	4	11.3	Wabasso Cot.	....	(36 bid 38 asked)			
50½	40	4	8.4	Walker-Good.	1875	46	47½	45¾	47½
21	18	1	5	Do. pref.	389	20	19¾	19½	19¾
1.15	1.00	‡5c	...	Walkerville Br.	1000	1.15	1.15	1.15	1.15
136	136	7	5.2	W. Koot. Pr. p	....	(135 bid — asked)			
1.20	1.00	.	...	West. C. Flour.	....	(1.00 bid 1.50 asked)			
29	18	.	...	Do. pref.	....	(25 bid 27½ asked)			
51	44	3+2	10.9	West Grocers	....	(46 bid 50 asked)			
111	109	7	6.3	Do. pref.	....	(110 bid 120 asked)			
‡15½	11½	50c	...	W'minster Pap.	....	(— bid — asked)			
11½	9½	80c	8	Weston Ltd.	....	(10 bid 10½ asked)			
94½	90	5	5.4	Do. pref.	35	94	92	92	92
16½	14½	1	6.7	Wilsils	....	(14½ bid — asked)			
2.00	.65	.	...	Winnipeg El. A.	1267	1.90	2.00	1.75	2.00
2.00	.60	.	...	Do. (B)	477	1.30	2.00	1.75	2.00
18	5¾	.	...	Do. pref.	147	15	18	12	18
80	67	7	10.4	Wood, A & J, p	....	(67 bid 70 asked)			
60	55	.	...	Woods Mfg. pf.	....	(— bid 68 asked)			
5	3½	40c	...	York Knitting	24	4	3½	3½	3½
•100	100	7	...	Do. 1st pref.	....	(— bid — asked)			
12	10½	80c	7.3	Zellers	....	(10½ bid 11 asked)			
25	24	1.50	6.2	Do. pref.	....	(24 bid 24½ asked)			

Quotations: †1941. § 1940. • 1939. * 1938.

▲ On account of arrears. ▲ Paid in 1942 to date.

■ Participating. ‡ Paid in 1941.

* Net after corporate income tax paid in 1942 to date.

Mining Stocks

Week Ending October 5

A

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
No	.16½	.05	Aldermac	3,000	.07½	.08½	.07½	.07½
1	.00½	.00½	Amm. Gold	......	(.00½ bid .00½ asked)			
No	2.55	1.75	Anglo-Huronian	......	(2.00 bid 2.35 asked)			
No	.25	.20	Argus Interests	......	(.26 bid .... asked)			
No	*.01	.01	Arno	......	(.... bid .01½ asked)			
1	.04½	.02	Ashley	......	(.02½ bid .... asked)			
1	.02	.01½	Astoria Quebec	......	(.... bid .02 asked)			
1	1.47	.85	Aunor Gold	1,970	1.07	1.06	1.00	1.04

B

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.06	.02	Bagamac	......	(.03 bid .... asked)			
1	.05½	.02	Bankfield	366	.03	.02	.02	.02
No	.09½	.05	Base Metals	7,500	.06½	.07½	.07	.07½
1	.06½	.02½	Bear Exploration	2,700	.03½	.04½	.04½	.04½
1	.94	.55	Beattie Gold	700	.60	.60	.60	.60
1	.03	.02½	Beaufor	......	(.01½ bid .03 asked)			
1	.65	.60	Berens River	......	(.40 bid .80 asked)			
1	.10	.04½	Bidgood Kirk	1,500	.06½	.06	.06	.06
1	.12½	.06	Bobjo	2,200	.08½	.08½	.08	.08½
1	.32½	.05	Bonetal Gold	2,500	.06½	.06	.06	.06
1	.03	.01½	Bouscadillac G.M.	500	.01½	.01½	.01½	.01½
No	9.30	5.75	Bralorne	990	6.10	6.25	5.80	5.85
1	.03	.02½	Brazil Gold	......	(.... bid .02½ asked)			
1	.00½	.00½	Brett Trethewey	......	(.00½ bid .00¾ asked)			
1	.61	.34	Broulan Porc.	8,800	.38½	.36	.34	.35
1	2.80	.90	Buffalo Ankerite	300	1.14	1.15	1.14	1.14
No	.03	.01	Buffalo Can.	......	(.01½ bid .02½ asked)			
5	12.50	5.00	Bulolo Gold	150	7.12	8.00	7.87	8.00
No	.01½	.01	Bunker Hill	......	(.... bid .03 asked)			

C

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	*.11	.05	Camp Bird	......	(.01 bid .05 asked)			
No	.49	.23	Can. Malartic	200	.39	.35	.35	.35
1	1.72	.84	Cariboo Gold	......	(.... bid 1.00 asked)			
1	.01	.00½	Cartier Malartic	......	(.00½ bid .01 asked)			
1	.60	.45	Castle Trethewey	......	(.... bid .60 asked)			
1	.05	.02	Cen. Cadillac	......	(.02 bid .03 asked)			
1	1.30	.65	Cen. Patricia	4,500	.67	.70	.65	.65
1	.10½	.04	Cen. Porcupine	500	.05	.05	.05	.05
1	.18½	.15	Century Mining	......	(.... bid .13½ asked)			
1	1.50	.43	Chesterville	2,700	.55	.51	.50	.50
No	2.45	1.20	Chromium	172	2.20	2.45	2.45	2.45
5	1.10	.50	Coast Copper	......	(.50 bid .95 asked)			
1	.74	.46	Cochenour Willans	7,200	.58½	.56	.54	.55
5	1.15	.75	Coniagas	......	(.75 bid .... asked)			
No	.94	.50	Coniaurum	......	(.51 bid .... asked)			
5	39.00	32.00	Cons. Smelters	2,100	34.00	34.00	33.75	34.00

D, E

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.65	.26½	Delnite	......	(.43 bid .... asked)			
1	.06	.02½	Denison Nickel	......	(.03½ bid .03½ asked)			
No	17.50	10.37	Dome Mines	2,171	15.25	14.12	13.50	14.00
1	.10	.02½	Duquesne	8,000	.03	.03	.03	.03
1	2.24	.98	East Malartic	5,934	1.00	1.03	.99	1.01
1	.57	.32	Eldorado	9,560	.54	.56	.53	.53

F, G

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
No	3.60	2.20	Falconbridge	650	2.43	2.55	2.40	2.40
1	.02½	.01½	Federal	......	(.01½ bid .01¾ asked)			
No	.42½	.15	Francoeur Gold	1,100	.15	.17	.16	.16
1	.04	.01½	Gillies Lake	1,000	.03	.03	.03	.03
1	.01	.00½	Glenora	......	(.00½ bid .00¾ asked)			
No	.20	.08	God's Lake	18,200	.15	.16	.14	.14
1	.11½	.06½	Goldale	1,100	.09	.08½	.08½	.08½
50c.	.15	.13	Gold Belt	......	(.09 bid .... asked)			
1	.10½	.03½	Gold Eagle	2,000	.10	.10½	.10	.10
1	.04½	.01	Golden Gate	4,500	.01½	.02	.02	.02
1	.01	.00½	Goodfish	......	(.01 bid .01½ asked)			
1	.01½	.01½	Graham Bosquet	......	(.01 bid .02½ asked)			
No	.05	.03½	Grandora	......	(.04 bid .... asked)			
1	.02	.01½	Grull Wihksne	......	(.01½ bid .02½ asked)			
1	.14	.07	Gunnar Gold	11,800	.09½	.12	.09½	.11

H, I

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.03	.01½	Halcrow Swayze	1,500	.01½	.02	.02	.02
1	.00½	.00½	Halliwell Gold	......	(.00½ bid .01½ asked)			
1	3.00	1.00	Hallnor Mines	......	(1.55 bid 1.80 asked)			
1	.55	.28	Hard Rock	2,310	.36	.37	.30	.32
1	.04½	.01½	Harker	1,000	.02	.01½	.01½	.01½
1	.29	.20	Hedley Mascot	......	(.20 bid .... asked)			
5	10.50	6.65	Hollinger	,030	7.35	7.25	6.94	7.25
1	.20	.12½	Howey Gold	4,300	.13	.13	.12½	.12½
No	28.12	21.75	Hudson Bay	3,041	22.25	22.75	22.00	22.75
1	.31	.19	Inspiration	100	.22	.22	.22	.22
No	36.25	29.00	Int. Nickel	2,284	32.50	32.75	31.75	32.50
50c.	*1.30	.85	Island Mountain	......	(.... bid .85 asked)			

J, K, L

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.01½	.00½	Jacola	......	(.00½ bid .... asked)			
1	.20	.03½	Jack Waite	......	(.05 bid .... asked)			
1	.20½	.09	Jason Mines	......	(.09 bid .11 asked)			
1	.02½	.00½	Jellicoe	......	(.00 bid .02 asked)			
1	.00½	.00½	J. M. Cons. Gold	368	.00½	.00½	.00½	.00½
1	.03½	.01½	Joliet Quebec	......	(.01½ bid .01¾ asked)			
1	4.40	2.93	Kerr Addison	11,255	3.60	3.65	3.55	3.65
1	.22	.22	Kerr Lake	......	(.10 bid 1.00 asked)			
1	.05	.00½	Kirk. Gold Rand	......	(.00½ bid .03½ asked)			
1	.26	.17½	Kirk. Hud. Bay	875	.20	.17½	.17	.17½
1	.62	.38½	Kirkland Lake	6,600	.41	.40½	.38½	.39
1	.59	.34	Lake Dufault	......	(.30 bid .37½ asked)			
1	12.00	6.75	Lake Shore	890	7.75	7.50	7.35	7.50
No	4.15	3.15	Lamaque Gold	651	3.40	3.30	3.20	3.30
1	.09	.03	Lapa Cadillac	1,000	.03½	.03½	.03½	.03½
1	.01½	.00½	Lebel Oro	......	(.00½ bid .01½ asked)			
1	.60	.38½	Leitch Gold	5,700	.49½	.48	.47	.47
No	1.35	.65	Little Long Lac	3,100	.72	.74	.65	.66

M

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	2.85	1.70	Macassa	2,075	1.95	1.90	1.86	1.90
1	1.68	.93	MacLeod Cockshutt	2,300	1.00	1.01	.99	1.00
1	.54	.30	Madsen Red Lake	10,700	.39½	.38	.36	.36
1	2.22	1.12	Malartic Gold	21,975	1.22	1.27	1.16	1.27
No	.00½	.00½	Man. & Eastern	......	(.00½ bid .00½ asked)			
1	.02	.01	Maralgo	......	(.01½ bid .... asked)			
5	45.50	36.00	McIntyre	405	41.00	39.75	38.00	38.00
1	1.04	.50	McKenzie R.L.	3,450	.52	.55	.50	.51
1	.08	.01	McLellan Gold	......	(.01 bid .01½ asked)			
1	.05	.0	McVittie Graham	......	(.04 bid .04½ asked)			
No	.11	.06½	McWatters	5,500	.09	.09½	.08½	.08½
5	1.20	.15	Mentor Exploration	......	(.06 bid .... asked)			
No	1.40	.90	Mining Corp.	600	1.05	1.05	1.00	1.00
1	.30	.20	Moneta	4,250	.27	.26	.23	.23

N, O

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.23	.08	Naybob	4,000	.08½	.01	.08½	.09
1	.50	.30	Negus Mines	......	(.25 bid .40 asked)			
5	1.01	.75	Nipissing	200	.95	.91	.91	.91
No	52.00	41.00	Noranda	1,136	43.50	44.00	43.25	44.00
No	.25	.14	Nor. Canada	......	(.15½ bid .29 asked)			
1	.04	.02½	Norgold	1,000	.02½	.03	.03	.03
No	.90	.48	Normetals	5,116	.68	.73	.70	.73
1	2.00	1.00	Northern Empire	100	1.00	2.00	2.00	2.00
1	.91	.45	O'Brien	1,600	.49	.40	.45	.47
1	.10	.05	Omega	2,000	.06	.06	.06	.06
1	.16	.05½	Ontario Nickel	111,800	.15	.15	.13½	.14
1	.06	.02	Osisko	500	.02	.02	.02	.02

P, Q, R

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
No	.90	.32	Pamour	1,750	.45	.45	.35	.36
1	.04	.01½	Pandora	......	(.01½ bid .03½ asked)			.01½
1	.02	.01	Partanen Mal.	500	.01½	.01½	.01½	.01½
1	3.00	2.00	Pato Cons. G.	......	(2.10 bid 2.50 asked)			
1	.00½	.00½	Pawnee Kirk.	......	(.00½ bid .01 asked)			
1	.19	.10	Paymaster	6,300	.14½	.14	.13½	.13½
1	1.75	.85	Pend Oreille	600	.95	1.00	1.00	1.00
1	1.35	.62	Perron Gold	1,800	.65	.66	.65	.66
1	2.35	1.35	Pickle Crow	2,725	1.40	1.40	1.38	1.38
1	2.20	1.12	Pioneer Gold B.C.	1,200	1.19	1.15	1.14	1.14
1	5.25	4.25	Placer Devel.	......	(5.25 bid 6.00 asked)			
1	.78	.36	Powell Rouyn	2,200	.40	.40	.37	.37
1	.60	.35	Premier Gold	1,300	.38	.38	.36½	.36½
1	3.20	1.32	Preston E. Dome	6,125	1.38	1.30	1.32	1.35
No	.20	.12	Prospectors Air's.	......	(.10 bid .... asked)			
1	.25	.17	Quebec Gold	......	(.18 bid .... asked)			
1	.39	.08	Queenston Gold	3,000	.16	.18	.16	.18
No	.06	.02	Quemont	......	(.04 bid .06 asked)			
No	.00½	.00½	Red Crest	......	(.... bid .03 asked)			
1	.45	.40	Reeves McDonald	......	(.17 bid .... asked)			
1	.25	.02½	Reno Gold	500	.07½	.07	.07	.07
1	.03	.02	Roche Long Lac	2,000	.02	.02½	.02½	.02½

S

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	2.05	1.32	San Antonio	2,100	1.44	1.45	1.40	1.40
1	.02½	.00½	Sand River	......	(.00½ bid .01 asked)			
1	.19	.09	Senator Rouyn	7,600	.17	.17	.16	.16½
1	.01½	.00½	Shawkey	500	.01	.00½	.00½	.00½
50c.	.83	.65	Sheep Creek	2,900	.74½	.68	.65	.68
1	.98	.55	Sherritt Gordon	4,725	.60	.60	.58	.58
1	6.00	4.05	Sigma Mines	5,776	4.65	4.50	4.30	4.30
1	.50	.28	Siscoe	4,400	.35	.36	.33	.34
1	.34	.17	Sladen Malartic	6,250	.18	.18	.17	.18
1	.06	.01	Slave Lake	10,000	.03½	.03½	.02½	.03
1	.04	.01½	St. Anthony	1,000	.02	.01½	.01½	.01½
No	1.96	.87	Steep Rock	11,910	1.32	1.30	1.28	1.29
No	.01½	.01½	Straw Lake	......	(.00½ bid .01½ asked)			
1	.13½	.07	Sturgeon River	......	(.10½ bid .10¾ asked)			
No	1.70	1.10	Sudbury Basin	475	1.20	1.25	1.20	1.20
1	.02½	.01½	Sudbury Contact	......	(.... bid .04 asked)			
1	.65	.48	Sullivan Cons.	700	.53	.53	.52	.53
1	1.98	1.15	Sylvanite	600	1.26	1.25	1.23	1.25

T, U, V

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	2.34	1.45	Teck Hughes	2,509	1.48	1.50	1.46	1.47
1	.03½	.02½	Temiskaming	50	.02½	.03½	.03½	.03½
1	1.10	.45	Toburn Gold	800	.50	.50	.50	.50
1	.13	.08	Towagmac	......	(.08½ bid .11 asked)			
No	.50	.23	Trans. Resources	......	(.26 bid .30 asked)			
1	.05	.01	Uchi Gold	100	.04½	.03	.03	.03
	40.00	15.00	Uchi Bonds	......	(.... bid 35.00 asked)			
1	1.24	.59	Upper Canada	6,025	.68	.65	.60	.65
No	5.00	2.95	Ventures	881	3.45	3.45	3.30	3.30

W, Y

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
No	4.80	3.40	Waite Amulet	833	3.55	3.60	3.40	3.60
1	.17	.08	Wendigo	10,000	.15	.15½	.15½	.15½
1	.01½	.00½	Wiltsey Coughlan	......	(.01½ bid .03 asked)			
1	.04	.01	Wood Cadillac	17,000	.02	.02	.01½	.01½
No	2.90	1.81	Wright-Hargreaves	3,260	2.15	2.15	2.00	2.13
No	.05	.02½	Ymir Girl	......	(.03½ bid .03½ asked)			

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
No	.10	.03	Acme Gas & Oil	......	(.04½ bid .07 asked)			
1	.07½	.05	Alta. Pac. Cons.	......	(.06 bid .07 asked)			
1	.13	.08	Ajax	......	(.12 bid .16 asked)			
No	.18	.15	Amalgamated	......	(.16 bid .... asked)			
No	.56	.32	Anglo Canadian	1,300	.40	.40	.38	.40
No	.29	.09	Br. Dominion	6,500	.20	.20½	.20	.20½
No	.07	.04	Brown Oil	2,000	.04	.04½	.04½	.04½
No	1.20	.78	Calgary & Ed.	1,200	.88	.95	.87	.95
1	.18	.10	Calmont	......	(.11½ bid .14 asked)			
No	.22	.13	Commoil	......	(.14 bid .20 asked)			
No	.30	.18	Common Pete	......	(.20 bid .22 asked)			
No	.30	.12	Dalhousie	100	.18	.16	.16	.16
No	.17½	.10	Davies Pete	3,500	.11	.10½	.10	.10
No	.04	.01½	East Crest	......	(.02 bid .02½ asked)			
No	.32	.32	Federated Pete	......	(.... bid .... asked)			
No	.85	.55	Foothills	1,300	.65	.70	.60	.65
No	†.08	.04	Hargal	......	(.... bid .... asked)			
No	.20	.07	High Sarcee	......	(.06 bid .07½ asked)			
No	2.70	2.05	Home	1,820	2.24	2.27	2.21	2.26
1	.07	.02	Homestead O. & G.	......	(.02 bid .02½ asked)			
No	.04	.02½	McD. Segur	......	(.03 bid .... asked)			
1	.20	.13	Model	......	(.13 bid .... asked)			
25c.	.04	.04	National Petroleum	......	(.04 bid .05 asked)			
1	.05	.02½	Nordon	......	(.02½ bid .... asked)			
No	.03	.01½	Oil Selections	......	(.02½ bid .03½ asked)			
No	.40	.20	Okalta	......	(.20 bid .... asked)			
No	.04½	.02	Pacalta	9,000	.03½	.03	.03	.03
1	*.27	.15	Pacific Petroleum	......	(.... bid .... asked)			
No	.25	.25	Petrol Oil & Gas	......	(.... bid .... asked)			
No	19.75	16.00	Royalite	300	17.25	18.00	17.25	18.00
No	.05	.02	South End	......	(.02 bid .03 asked)			
No	.17	.10	South West Pete	......	(.... bid .20 asked)			
5	1.60	.70	Texas Can.	......	(.90 bid 1.00 asked)			
No	.04½	.03	United Oils	......	(.03½ bid .... asked)			
1	.13	.05½	Vermilata	1,000	.08	.08½	.08	.08½
1	.22	.15	Vulcan	......	(.11 bid .... asked)			

Vancouver Mines

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.05½	.02	Bayonne Cons.	1,000	.02	.03	.03	.03
No	9.20	5.70	Bralorne	973	6.15	6.15	5.70	5.75
1	†.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	1.75	.83	Cariboo Gold	......	(.83 bid .85 asked)			
No	.01	.00½	Dentonia	......	(.00½ bid .00½ asked)			
No	.00½	.00½	Fairview Amal.	......	(.00½ bid .... asked)			
1	.20	.10	George Copper	......	(.13½ bid .... asked)			
1	.06½	.04	Golconda	......	(.04 bid .... asked)			
50c.	.18	.10	Gold Belt	......	(.13 bid .14 asked)			
50c.	.18	.10	Grandview	......	(.11 bid .... asked)			
1	.03½	.01½	Grull Wihksne	......	(.01½ bid .... asked)			
1	.35	.17	Hedley Mascot	......	(.20 bid .22 asked)			
No	.00½	.00½	Home Gold	......	(.00½ bid .... asked)			
1	.01½	.01½	Indian Mines	......	(.01 bid .01½ asked)			
50c.	1.06	.85	Island Mountain	......	(.79 bid .85 asked)			
1	.30	.28	Inter'l Coal	20,000	.28	.28	.28	.28
50c.	.25	.15	Kootenay Belle	1,000	.19	.20	.20	.20
1	.20½	.18	McGillivray Creek	......	(.17½ bid .23 asked)			
No	.01	.00½	Minto Mines	......	(.00½ bid .00½ asked)			
50c.	.02	.00½	Nicola	......	(.00½ bid .... asked)			
1	.10	.03	Pacific Nickel	......	(.04½ bid .... asked)			
1	1.75	.90	Pend Oreille	......	(.90 bid 1.00 asked)			
1	2.15	1.10	Pioneer Gold	300	1.20	1.12	1.12	1.12
No	.02	.00½	Premier Border	......	(.01½ bid .01½ asked)			
1	.60	.38	Premier Gold	1,200	.39	.38	.38	.38
No	.47	.24	Privateer Mines	800	.27	.26	.25½	.25½
1	.02	.01	Quatsino Copper	......	(.01½ bid .... asked)			
1	.50	.20	Reeves McDonald	......	(.18 bid .... asked)			
1	.23	.02	Reno Gold	......	(.07½ bid .... asked)			
50c.	.00½	.00½	Salmon Gold	......	(.... bid .... asked)			
50c.	.84	.61	Sheep Creek	4,800	.75	.75	.65	.67
1	.75	.50	Silbak Premier	......	(.51½ bid .... asked)			
No	*.00½	.00½	Silvercrest	......	(.... bid .... asked)			
50c.	.10	.06	Surf Inlet	......	(.04½ bid .06 asked)			
No	.02	.02	Taylor Bridge	......	(.02 bid .04 asked)			
20c.	.02½	.00½	Wellington	......	(.01 bid .... asked)			
1	.04½	.01½	Whitewater	......	(.02½ bid .03 asked)			
No	.04	.04	Ymir Yankee Girl	......	(.... bid .... asked)			

Vancouver Oils

Par Val.	Range 1942 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.07	.05	Alta. Pac. Cons.	1,000	.05	.06½	.06½	.06½
No	.55	.35	Anglo Canadian	......	(.37 bid .... asked)			
No	.03	.02½	Anaconda	......	(.02½ bid .02½ asked)			
No	.25½	.18	Brit. Dominion	200	.19	.19	.19	.19
No	.04	.04	Brown Oil	......	(.04½ bid .... asked)			
No	1.17	.80	Calgary & Ed.	300	.90	.94	.94	.94
1	.17	.10	Calmont	......	(.11½ bid .... asked)			
No	.23	.14	Commoil	......	(.14 bid .... asked)			
No	.28	.18	Commonwealth	......	(.18 bid .22 asked)			
No	.22	.14	Dalhousie	......	(.16 bid .... asked)			
No	.16½	.10½	Davies Pete	......	(.... bid .11 asked)			
No	.02½	.02½	East Crest	......	(.02 bid .... asked)			
No	* .36½	.21	Federated Petroleum	......	(.... bid .... asked)			
No	.85	.60	Foothills	100	.66	.65	.65	.65
No	.20	.07	High Sarcee	......	(.05 bid .... asked)			
No	2.67	2.00	Home Oil	120	2.29	2.25	2.20	2.20
No	.01½	.00½	Madison	......	(.01½ bid .... asked)			
No	.01½	.01	Marjon Oil	......	(.01 bid .01½ asked)			
No	.04½	.02½	McD. Segur Ex.	......	(.03½ bid .04 asked)			
No	.05½	.03½	Mercury	......	(.04 bid .04½ asked)			
No	.07	.08½	Mill City Pete	......	(.05 bid .07 asked)			
1	.20	.12	Model	......	(.13 bid .18 asked)			
25c.	.04½	.02	National Pete	......	(.04 bid .... asked)			
1	.03	.02	Nordon	......	(.03 bid .... asked)			
No	.40	.20	Okalta	......	(.20 bid .23 asked)			
No	.04	.02½	Pacalta Oil	......	(.02½ bid .03½ asked)			
1	.25	.14	Pacific Petroleums	......	(.19 bid .25 asked)			
No	.05½	.02½	Royal Canadian	......	(.03 bid .... asked)			
No	†.10½	.06	Royal Crest	......	(.... bid .... asked)			
No	18.63	16.00	Royalite	......	(16.75 bid .... asked)			
No	.05	.03	South End	......	(.... bid .... asked)			
No	.20	.15	Southwest Pete	......	(.... bid .20 asked)			
1	.05	.01	Spooner	......	(.03 Aug. 25)			
25c.	.09½	.06	Sunset Oil	......	(.06 bid .... asked)			
No	.04½	.03	United	......	(.03 bid .... asked)			
No	.05	.04	Vanalta	......	(.04½ bid .... asked)			
1	.20	.12	Vulcan	......	(.13 bid .... asked)			

* Quotations for 1941; † 1940.

Winnipeg Stocks

(Transactions from Sept. 28 to Oct. 3)

	Sales	High for period	Low for period	Close Oct. 3
Callinan Flin Flon	9,000	.01	.01	.01
Central Manitoba	1,000	.01¾	.01¾	.01¾
Forty Four	183	.08	.07	.07
Marvel Oils	1,000	.04	.04	.04
United Grain Growers	7	10.50	10.50	10.50
Western Breweries	1,000	2.25	2.25	2.25
Western Steel Prod.	10	8.50	8.50	8.50
Winnipeg River Tin	6,000	.00½	.00½	.00½

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beav. Lumber, c	2½	5	Fed. Grain, pf.	..	39
Beav. Lumber, p	100	..	Grouped Inc.	..	4¼
Can. Indemnity	150	..	Nor. C. Mtg. un.	5½	..
Cres Cream., p.	18	..	Nor. Mtge.	.75	..
Dom. Envel., c.	..	7½	Nor. Trusts	6	..
Dom. Env. pfd.	..	92	Traders Bldg.	44	..
Fed. Grain, c.	..	1¼	West. Grain, p.	..	7

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Oct. 6	11,400	2,800	111,000	......
Oct. 5	9,200	10,900	83,000	8,938
Oct. 3	5,200	1,200	56,000	1,510
Oct. 2	13,200	8,300	78,000	850
Oct. 1	7,300	6,400	82,000	2,828
Sept. 30	6,000	11,500	109,000	3,200

Government Bonds

(Supplied by Investment Dealers' Assoc. of Can

Oct. 7, 1942

%	Due	Bid	Ask.	Approx. Yld.
Dominion of Canada Bonds				
3	Oct. '52	100	100¾	...
2½	June '43	100¾	101¼	.61
5	Oct. '43	103¼	104	1.13
2	June '44	100¾	101¼	1.30
1½	Sept. '44	99¾	100¼	1.42
2½	Jan. '44	100½	100¾‡	b.75
4½	Oct. '44	105½	106	1.50
2½	Nov. '44	101¾	102½	1.42
a2½	Aug. '45	100¾	‡100¾	b1.80
4	Oct. '45	102¾	102¾	b1.33
2	Mar. '45	100¾	101¼	1.52
2	Dec. '46	99¾	99¾	2.03
4½	Feb. '46	108	108½	1.86
2½	Mar. '48	99¾	99¾	2.30
3½	June '49	102¾	103½	b2.25
3½	Oct. '49	102¾	102¾	b2.12
3½	Nov. '51	101½	102	b2.89
3½	Feb. '52	102½	102¾	‡2.88
a5	May '52	101¼	102	b
4	Oct. '52	105¾	106½	b2.62
■3	June '51	100¾	100¾	3.00
3	Oct. '52	99½	100	3.00
3	June '55	99½	99¾	3.01
4½	Nov. '56	106½	107	b2.71
■3	Mar. '54	99½	100	3.07
4½	Nov. '57	107¼	107½	b2.85
3	June '58	99½	99¾	3.02
4½	Nov. '58	107¾	108½	b2.96
4½	Nov. '59	108¾	109½	b3.00
a4	Oct. '60	106½	‡107½	b2.98
a3½	Jan. '61	101½	102½‡	3.05
3½	June '66	101	101½	b3.12
a3e	Jan. '67	97½	98½‡	3.09
a3e	Nov. '68	97½	98½‡	3.09
†3	Perpet'l.	94•	94¾	3.17
Dominion Guarant'd Bonds				
Can. Natl. Railways:				
2	Feb. '43	100¼	100¾	...
2½	Jan. '46	100¾	101¼	1.86
3	May '44	102	102¼	1.40
3	Dec. '50	99¾	100¼	2.84
3	Jan. '59	99	99¾	3.02
•4½	Sept. '51	117¼	118¼	2.20
•4½	Feb. '56	119	120¼	2.68
4½	July '57	119½	120¼	2.82
3	Feb. '53	99½	99¾	3.03
4½	June '55	120½	122	2.73
5	Feb. '54	117¾	118¾	3.05
•3e	July '69	118½	119½	...
•3e	Oct. '69	122¾	123¼	b2.04
•3e	Feb. '70	122¾	123¼	b2.20
Can. Nat. W. Ind. S. S.:				
•5	Mar. '55	122¾	123¼	2.74
Grand Trunk Pacific Rly.:				
3	Jan. '62	102	103	2.80
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	94½	96½	3.45
3½	Aug. '49	96	98	3.57
3½	June '56	96	98	3.68
c4	Nov. '47	109	111	b.41
c4½	Apr. '61	110	113	3.53
c5	Jan. '60	112	114	3.89
Nova Scotia:				
3	Jan. '52	98	99½	3.06
3½	June '56	99½	100½	3.20
3½	Nov. '50	101	102	3.22
c4½	Sept. '52	112½	113½	b1.63
c4½	Nov. '60	115	117	3.25
c5	Mar. '60	120	122	3.33
Ontario:				
2½	May '45	100	101	2.11
3	Apr. '48	100	101	b2.71
3	Nov. '50	99	100	b3.00
3½	Nov. '51	100½	101½	b3.05
3½	May '55	100½	101½	b3.10
•4	June '62	115	117	2.88
4½	June '50	108½	110	3.04
•4½	Jan. '62	119	121	3.06
5	Oct. '48	109½	111	3.05
•5	Dec. '60	125	127	3.04
5½	July '46	108½	109½	2.80
Ont. Hydro Commission:				
3	Aug. '48	100	101	b2.74
3½	Feb. '53	100¼	101½	b3.06
3½	Apr. '47	102½	104	2.63
Prince Edward Island:				
4	Mar. '54	102	104	3.57
Quebec:				
3	Nov. '47	98¾	99¾	3.05
3½	Mar. '48	99½	100½	3.20
3½	Mar. '59	98½	99½	3.53
4	Nov '52	102½	103½	
3½	Feb. '55	100½	101½	
4½	Aug. '58	105½	107½	
4½	Jan. '63	110	112	
Alberta:				
4½	Oct. '56	76	78	
4	Dec. '54	75	77	
•5	Oct. '59	77	80	
c5½	Apr. '52	78	81	
6	Mar. '47	79	81	
British Columbia:				
4	Dec. '57	103	...	
•4½	Jan. '51	111	113	
c4½	Oct. '53	111	113	
c5	Apr. '54	114½	116½	
5½	Fbe. '45	104	105½	
6	Feb. '47	109½	111½	
Manitoba:				
c4	Dec. '57	100½	102	
c4½	Dec. '56	104	106	
•5	Dec. 59	107	109	
5½	Oct. '55	110	112	
6	Apr. '47	107	109	
Saskatchewan:				
4	Sept. '54	83	85	
4	Nov. '60	82	84	
c4½	Oct. '51	92½	94½	
c4½	Mar. '60	88½	91	
5	Aug. '58	90	92	
5½	Oct. '52	95	97	
6	Mar. '52	98	100	

•-Payable Can., N.Y. £. b-Calculated to call giving lowest possible y c-Payable Can. & N.Y. Payable N.Y.. †-Callabl or after Sept. 15, 1966. Traded flat. Interest b paid at 50% of coupon minimum rate 2%. e-C able at a premium. ‡- funds. ‡-Calculated at average maturity. ■-C able on or after earliest turity shown and payab maturity at 101.

Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

Oct. 6, 1942

Industrial	Bid	Ask.
Acme Farm., pf.	52½	..
Andian National	25½	27
Anglo C. Tel., A.	7	7½
Atlas Steels, c.	22	24
Do., pre.	106	107
B. C. Pulp c.	8	10
Do., pfd.	62	65
B. C. Sugar	57	60
B. C. Tel. p.	102	..
Brown, com.	1	1½
Do., pfd.	18½	21
Burns & Co., A.	5	6
Do., B.	2	3
Can. Indust. A.	128	132
Cap. W. Cloth	5	..
Do., pref.	18	..
Can. Co-op Wool	8	9½
Can. Mach. c.	8	10
Can. Ing. Rand	60	65
Can. Mot. L.A.B.	6½	..
Chase, A. W., p.	18	20
Colonial Steam.	41½	45
Corr. Pap. Box c	2	3
Do., rgts.	6	9
Dunlop T. p. $25	16½	18½
Easy Wash. p $10	9	11
Galt Brass, c.	10	12½
Goderich Elev.	7½	8
Guard. Realty, p	12½	15
Guelph Carp., c.	16	18
Gurney Fdry., p.	1½	1½
Hayes Steel, c.	13	15
High. Dairy	..	2
Do., pref.	..	48
Inglis, John	5½	6½
Ingram & Bell p	88	..
Kingst. Ship., c.	10	..
Loblaw Inc. c.	11½	12½
Minn.&Ont.P. c.	3	3½
Mt. Royal H. c.	2½	3½
Moirs, pfd.	18½	21

	Bid	Ask.
M'row Screw, p.	101	105
Do., com.	14½	16
Morrison Br. un	5½	6
Neilson, Wm. p.	100	..
N. Meth. Ldy. p.	70	..
Ont. Tobacco, p.	18½	20
Prov. Paper, pf.	96½	99
Quinte Milk	2½	3½
Stand. Fuel. p.	51½	54
Do., com.	½	1½
Stedman, pf. $50	50	55
Sutton Horsley	½	½
Tor. Carpet, c.	65	..
Un. F. Co-op.	3	4
Un. Steel, A pf.	23½	24½
Viceroy Mfg., c.	12	..
Trust & Loan Stocks:		
British Mtge.	116	124
Brockville Tr.	43	..
Cap. Trust	28	31
Comm. Fin., co.	5	7
Grey&Br.Tr. $50	43	..
Guaranty Trust	100	102
Guelph & O. $50	50	53
Indust. Mtge.	25	30
Lambton Loan	33½	35½
Midland Loan	14	16
Premier Trust	23	27
Sherbrooke Tr.	120	..
Sterling Trust	50	53
Th. Can. Inv. Tr.	1½	1½
Traders Fin. A c	3	5
Do., A pref.	47	50
Do., rgts.	6½	8½
Trusts & Guar.	28	31
Victoria Trust	66	70
Waterloo Trust	100	..
Insurance Stocks:		
Canada Life	345	355
Brit. Amer.	50	52
Canadian Fire	78	80½

	Bid
Confed. 30% pd.	128
Cons. Fire	3½
Continental L.	30½
Crown Life	260
Dominion Fire	138
D. of Can. Gen.	118
Empire, 25% pd.	4½
Excelsior 40% pd	70
Fed. Fire 25% pd	51
Great-West Life	212
Halifax Fire	15
Imperial Life	260
Manufac. Life	214
Monarch Life	33
National Life	7
Sov. L. 25% pd.	11
Sun Life	210
Tor. General	41
Wellington Fire.	58
Western Assce.	36
Theatre Stocks:	
Allen's, St. Cath. units	52
Do., Kingston.	62½
Do., Toronto p	32½
Mansf. Theat., p	32½
Para. Kitch. p.	40
Do., Oshawa c	7
Investment Trust Shar	
Inv. Found. un.	40
Sec's. Hold. pf.	17½
United Corp., A	20
Do., B.	4½
Power Issues:	
Can. W. N. Gas	24
Do., pfd.	100
Gt. Lakes Pr., p	102
Int. Util. $1.75 p	8
Do., $3.50 p	36

Unlisted Mines

Toronto, October 6, 1942

	Bid	Ask
Albany R (old)	.01	.03
(new)	.06	.08
Amal Kir	.04	.06
Anoki	.01	.03
Aquarius	..	.12
Arjon	.02	.03½
Armistice	.02½	.05
Argosy	.03	..
Area	.04½	.06
Arntfield	.00½	.01½
Athona (new)	.00½	.01
Barb Lard	.01½	.02
Brock	.03	.04
Clift Con	.13	.15
Can Rad	..	.06
Cent Man	.01	.02
Cheminis	.02	.03
Columb	.21	.23

	Bid	Ask
Cons Chib	.03	.06
Delpine	..	.03½
DeSantis (new)	.02½	.03
Dona Pat	..	.01½
Eastward	.05	.10
Elmos	.03	.06
Franco	.15	.20
Galore	..	.01½
Goodrock	.50	.53
Hayes Cad	.02	.02½
Hoyle (new)	.04½	.06
Hugh P P	.02	.03
Kirk Gate	..	.01½
Kirk Tow	.03	.05
Lacoma	.00½	.01
Laguerre	.02½	.05
L Geneva	.06	.08
Low Pete	.10	.15

	Bid	Ask
Magnet C	.17	.22
Magnet L	.06	..
Martin B	.02	.03
Mat Can	.02	.04
Mat Con	.07	.11
McMarm	.07	.09
Moffatt H (new)	.01	.02
Mosher	.04½	.06
McManus	.00½	.01½
Nat Mal	.10½	.13
Nick Off	1.00	1.25
Norbeau	.15	.17
N Ribago	.00½	.00½
Numulake	..	.12
Oklend	.03	.04
O'Lea Mal	.02	.03½
Opemiska	.06	.07
Orpit	.01½	.02½
Pascalis	.07	.11

	Bid	Ask
Pontiac R (old)	.03	
Pelangio	..	
Polaris	..	
Prop'ary	3.40	
Presdor	.01½	
Que Man	.25	
Rand Mal	.06½	
Red L G S	.00½	
Ritoria	.01	
Rouge	.00½	
S.A.G.A.	..	
Sheldon	.04	
Skynn Lk		
Springer	.11½	
Tombill	.10	
Stadacona	.06	
Thoms Lk	.07	
Union Min	.01½	
Wesley	.00½	
Young D	.18	

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Oct. 6, 1942

Public Utility	Int. %		Oct. 6		Sept. 29
▲Alg. Cen. H.B.R.	5	'59	22	24	21
†Assoc. Tel. & T.	5½	'55	72½	75½	73
B. C. Power	4½	'60	98	100¼	98½
B. C. Tel.	4½	'61	105½	107½	105
†Calgary Pwr.	5	'60	110	112	109½
Do.	5	'64	105½	107½	105½
†Can. Nor. Pwr.	5	'53	97½	100	98½
•Dom. Gas & El.	6½	'45	106	108½	104
Gatineau Pwr.	5	'49	100	102	100
•Do., A	3½	'69	101½	103½	101
▲Do., B	3½	'69	98½	100½	99
Gt. Lakes Pwr.	4½	'56	101	103	100½
Do.	5	'57	98½	101	98
•Int. Hydro-El.	6	'44	41½	44½	41
▲Inter. Power	6	'55	100½	102½	100½
L. St. Law. Pwr.	5	'55	100	102½	100
Macl'n-Que. Pr.	4	'50	100	102	100
Mtl. L. H. & Pr.	3½	'56	102	104	102
Do.	3½	'73	100	102	100
Do.	3½	'63	100½	102½	100
†Mtl. Tramways	5	'51	101	103	101
†Do.	5	'55	81½	84½	82
Nat. Lt. & Pwr.	6	'49	101½	104	101½
N. S. Lt. Pr.	4	'57	101½	103½	101½
Ottawa L.H.&P.	4	'57	102½	105	102½
Ottawa V. Pwr.	5	'59	101	103½	101
†Power Corp.	4½	'59	91½	94	91½
Quebec Pwr.	4	'62	102½	105	103
•Saguenay P.	4½	'66	107½	110½	107½
▲Do., B	4½	'66	105½	107½	105½
St. Maurice Pr.	4½	'70	104	106	104
Shaw, W. & Pr.	4	'61	104	106	104½
Do.	4	'69	104	106	104½
Union Gas	4½	'50	95½	98½	95½
•Twin C. R. Tr.	5½	'52	91½	94½	91½
†United Secs.	5½	'52	96½	99½	97
‡Wpg. El. ser. A.	5	'65	84½	87½	84½
Do., B	5	'65	75½	78½	74½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	57	60	55½
Do., C.O.D.	5	'53	55	58	54½
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	93½	96½	93½
†Atlta. Pa. Grain.	6	'46	103½	106	103½
Algoma Steel	5	'48	103	106	103
Atlantic Sugar	4	'51	101	103	101
†B. C. Pulp & P.	6	'50	80	84	80
‡†Do.	7	'50	104	107	102½
•Brown Co.	5	'59	76½	79½	76
Burns & Co.	5	'58	70½	73½	70½
Canada Cement	4½	'51	102½	104½	102
Canada Electric	4½	'65	96	99	96
Can. Paper	4½	'52	99½	102½	99½
Can. Steamship.	5	'57	102	104	102
Can. Canners	4	'51	101	103	101
•Can. Int. Paper.	6	'49	105	107	104
‡Can. Locomotive	6	'53	93½	96½	93
‡†Candn. Vickers	6	'47	93	96	91½
C.P.R.	3½	'51	96½	98½	96½
Do.	4	'49	100	102	100
Col. Steamships	6	'54	101	103	101
†Consol. Paper	5½	'61	60	63	60
Dom. Coal	4½	'52	97	100	97
Dom. Scott. Inv.	4	'52	98	101	98
Dom. Stl. & Co.	6½	'55	102½	105	103
Dom. Tar	4½	'51	103	105½	103½
Dom. Woollens.	6	'53	98	100¼	97½
†Donnacona Pap.	4½	'56	76	79	76
†Dryden Pap.	6	'49	101	104	101
†East. Dairies	6	'49	69	72	69
Famous Players	4½	'51	101	103½	101
†Federal Grain	6	'49	103½	106	103½
†Fraser Cos.	6	'50	102½	105	102½
Galt Brass	5	'50	94	97	94
Gen. Stl. Wares	4½	'52	102	104	102
•Gt. L. Paper	5	'55	91	94	91
•Gurney Fdry.	5½	'49	80½	84½	80
†Gypsum Lime	5½	'48	102½	105	102½
Ham. By-Pr. C.	5	'55	101	103½	101
Do.	6	'56	100	102½	100
Ham. Cotton	4½	'50	100	102	100
Inter-City Bak.	5½	'48	101	103	101
Indust. Accept.	4	'52	82	85	82
Ins. Ex. Bldg.	3	'51	52	55	52
•Inter. P. Nfld.	5	'68	94½	97½	94
•Inv. Bond & Sh.	5	'47	35	40	35
†Kingston Elev.	6	'50	104½	107½	104½
Lake St. J. P.	5½	'61	77½	80½	77½
Do.	5	'61	49	52	49
Legare	6	'61	88	91	88
Maple L. M.	3	'58	83½	88	85
Man. Sugar	5	'46	102½	105	102½
Massey-Harris	4½	'54	97½	100	97½
McColl-Fron.	4½	'49	98	100½	98
McCormicks	4	'52	97½	100½	97½
Do.	4½	'52	104	106	104
Mercury Mills	5	'50	95	98	95
Mersey Paper	5	'57	92	95	92
†Do.	5	'49	91½	94½	92
•M. & O. Paper	5	'60	93½	97½	94½
Moirs Ltd.	6	'53	75	80	75
‡Mtrl. Drydocks.	6	'49	84½	87½	84

Corporation Bonds (Cont'd)

Montreal Apts.	4	'54	47	50
Nat. Grocers	4	'47	101½	..
N. S. Stl. Coal	3½	'63	81½	84½
Price Bros.	5	'57	91	94
Do.	4	'57	70	73
•Prov. Paper	5½	'47	105	108
Reliance Grain.	4½	'52	98	101
†Restigouche Co.	6	'48	102	104½
Rolland Paper	4½	'51	101½	103½
Ruddy, E. L.	6½	'48	75	80
Silv. Dairies	6	'66	94	97
Simpsons, Ltd.	4½	'51	100	102
Smith, Howard.	4½	'51	102	104
Stand. Lime	6	'44	98½	..
Sterling Coal	6	'45	98	101
Stop Shop	3	'47	65	68
United Amuse.	5	'56	100	102½
United Corp.	5	'53	94	97
•United Gas	5½	'48	104	107
United Grn. Grs.	5	'48	100½	103½
†Western Grain	6	'49	60½	63½

*Payable in Can. or U.S.
†Payable in Can., U. S. or U. K.
•Payable in U. S.
▲Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Bid and asked as at Oct. 6, 1942, and change in bids from previous week.

Miscellaneous Stocks:	Bid	Ask.
Allens Lond. The pfd.	50	54
Brantford Roofing, c.	2½	3½
•Can. Gen. Rubber, pfd.	2¾	..
C.P.R., 4% p. (£ par)	.15	.35
Can. West. Lumb. c.	2½	3½
Cawthra Apts., pfd.	..	25
Century Finance, com.	1	1¼
Claude Neon, 7% pfd.	1½	2½
Collingwood Term., pf.	1½	..
Do., com.	2	..
Colonial Realty com.	4½	6
Comm. Life, 10% pd.	15½	17
†Copeland Flour units	12	..
Dairy Corp., pfd.	.90	1.15
Do., com.	.05	.15
Dom. Alloy Steel, pfd.	178	205
Dom. Life, 70% pd.	6½	7¼
Dover Industries	.11	.12½
Dubuisson Gold	20½	21½
Eastern Steel, 5% pfd.	..	44
†Ft. Wm. Hotel, units	4½	5½
Hart Battery, com.	7½	8
Loew's London Th. pfd.	31½	33½
London & West. Trusts	2	..
Mont. Deb. Corp., pfd.	7¾	9
Murphy Paint, com.	89½	91½
Do., 5½% pref.	.90	1.10
Nat. Hosiery, com.	1.00	..
Do., pfd.	87	..
†N. Amer. Elev., 1st pfd.	28	..
•Do., 2nd pfd.	..	1
Do., com.	305	..
P. L. Robertson, old c.	12	..
Do., new com.	41	..
Do., new pfd.	96	99
St. John Dry D., 5½% p.	26	27½
Supertest Pete., 6% pfd.	9	11
Tip Top Tailors Inc., un.	21¾	23½
Viceroy Mfg., 6% pfd.	.80	1.15
Waterloo Mfg., new c.	11½	12½
West. Can. Hydro, pfd.	2½	3
Windsor Hotel, com.		

• Issue carries arrears.
† Currently paying on arrears.

Municipal Bonds

Oct. 6, 1942

	%	Due	Bid	Ask.
†Halifax	5	1961	115.00	117.00
Hamilton	5	1950	111.00	114.00
Montreal	5	1945	95.00	98.00
Ottawa	4½	1945	104.00	105.50
†Quebec	5	1959	109.00	112.00
Saint John	5	1950	105.50	108.50
†Toronto	4½	1955	116.50	117.50
†Vancouver	5	1950	103.00	106.00
Winnipeg	5	1944	100.00	103.00

†Payable Can. & N.Y. *Flat.

Investment Trusts

	Bid
Affiliated Funds	1.89
Can. Int. Trust	3.50
Can. Invest. Fund	3.00
Can. Investors	4.25
Corp. Investors	4.85
Trans-Canada	8.85

w Financial Post Feature —

he Business f Farming

y GORDON L. SMITH

average farmer has often ked some opportunities in y of new cash crops that a sman turned farmer has iscovered. This was largely e with flue-cured tobacco folk County, Ont., and also ommercial poultry farming. e field is not so wide open e urban people imagine.

e the war we have heard a eal about possible new crops ace commodities cut off or y restricted by enemy action. fortunes have been predicted. some of these things real nities undoubtedly are of- and already some success is d, but I forecast that the results will be very much oderate than was anticipated.

* * *

on Cheap Labor

any cases, such prewar pro- was based on cheap and l labor, much of it Oriental red, accustomed to working y a few cents a day. Even Europe was the source, labor ain relatively cheap as com- with our standards, and of importance, it was highly in the handling of these

other day we asked a repre- e of the biggest seed house United States about herb , things like sage, mustard, hicory, thyme. He said that f these plants grow wild in S. and Canada just as they Europe or that they could be ed, and that necessity would lly bring some portion of to the market. But he was stic about either sudden or ent large-scale production.

* * *

pecial Skill

e first place, he stated, we have sufficient and skilled pick and grow them, and, , we had no harvesting, g, and processing machin- kill to handle them.

man also stressed the popular eption in regard to high The dollar a pound we pay e of these things at the corn- g store is for a finished Perhaps 90% of the original bulk has been lost in processing and this processing may have included expensive cleaning, distilling, or roasting.

* * *

Machinery Rationed

At first glance, rationing of new farm machinery, as officially announced this week, may appear a confusing move. Is agriculture a war industry, producing vitally needed war materials—food, etc.—or is it not? The answer is both yes and no.

Farm production of certain lines like bacon, cheese, butter and other concentrated food products and crops like flax, soy beans etc., which make vegetable oil, is absolutely essential. Almost unlimited output is wanted. Undoubtedly farmers specializing in such production will have no difficulty in getting any machinery or equipment they really need.

On the other hand there are several lines for which the war market is limited, or oversupplied. New machinery for such production may be curtailed.

* * *

Can It Drop Non-war Lines?

But the general situation is not just as simple as this explanation would imply because in a great many instances there is war and non-war production on the same farm. Moreover the authorities hesitate to restrict this too severely because after the peace undoubtedly we may have to curtail the lines we are encouraging today and depend a great deal more on those which are not wanted just now.

If farm production was something that could be turned on and off quickly and at will, then there would be no problem. But it is not. It takes years to develop different lines and if Canadian agriculture is to readjust itself promptly after the war then at least the foundation stocks of peacetime farming must be retained.

* * *

New Bacon Quota

Last week a new bacon quota was announced. For the year commencing Nov. 1, Canadian farmers are committed to export 675 million pounds to Great Britain at a 10% increase over the 600 million pound quota this year. The new rate will be about 10 times that of the best prewar years but agricultural authorities are confident that we will achieve it. Not only that, but there is some real hope that Canadian hog production will be so increased that in addition more pork will be made available for domestic consumption.

Since the war there has been a tremendous gain in hog raising, especially in western Canada. On the whole prices have been satisfactory and this, plus the fact that the hog is particularly adapted to grain farmings has made the proposition very attractive.

Recently there has been some complaint about prices, particularly since American levels have advanced, but the 10% increase mentioned should prove a corrective.

Goodyear Tire & Rubber Co. earned profits in the third quarter sufficient to pay the period's dividends, according to A. G. Partridge, president. The company's factories continue to be extremely busy with more and more old products and numerous new ones going for military purposes.

nnual Meetings

Company	Place
Albert Bay Co.*	Toronto
So. Amer. Gold	New York
McMarmac R. L. Gold	Toronto
Loblaw Groceterias	Toronto
Alberta Pac. Grain	Winnipeg
Anglo-Huronian	Toronto
Calgary & Edm. Corp.	Winnipeg

holders.

vidends Declared

	This payment	Date payable	Date of record
Wiborg, p.	$1.37½	Nov. 2	Oct. 15
. Tele., p.	68¾c	Nov. 2	Oct. 15
Bros., pf.	$1.50	Nov. 2	Oct. 15
Pwr. A	25+25c	Dec. 1	Nov. 6
, 2nd pref.	$1.50	Nov. 1	Oct. 17
Cordage, pf.	32½c	Oct. 15	Sept. 20
er A	50c	Oct. 15	Sept. 30
phone	$2	Oct. 15	Sept. 23
Hats	15c	Oct. 15	Oct. 3
Mines	20+10c	Oct. 15	Sept. 30
se	37½c	Nov. 2	Oct. 9
ef.	$1.25	Nov. 2	Oct. 9
Edm.	▪5c	Oct. 15	Sept. 12
Car pfd.	43c	Oct. 10	Sept. 21
on, pref.	$3	Nov. 1	Oct. 15
& Stl. p.	$1.75	Oct. 15	Oct. 8
uarters	50c	Oct. 31	Sept. 30
anks, pf.	$1.50	Oct. 15	Sept. 30
tion Life	$1.50	Dec. 31	Dec. 25
Invest.	▪12½c	Oct. 15	Sept. 30
Power	▪15c	Oct. 26	Sept. 19
f.	▪$1.75	Oct. 15	Sept. 19
of Comm.	$1.50	Nov. 2	Sept. 30
bols	5c	Oct. 15	Sept. 30
ef.	10c	Oct. 15	Sept. 30
A, B	$1.50	Oct. 31	Sept. 30
ef.	$1.75	Oct. 15	Sept. 30
Inv. c.	$1.30	Nov. 1	Oct. 15
pfd.	$3	Nov. 1	Oct. 15
Oil, c.	25c	Nov. 16	Nov. 2
Plow	25c	Dec. 1	Nov. 2
	25c	June 1, '43	May 15
ew.	3c	Nov. 2	Oct. 9
ines	3c	Nov. 30	Nov. 7
Bank	$2	Nov. 2	Oct. 15
Stores	▪10c	Nov. 20	Nov. 5
ttle	$1.75	Oct. 15	Sept. 15
Tar, pf.	$1.37½	Nov. 2	Oct. 13
nes	▪40c	Oct. 20	Sept. 30
Seag., p.	†$1.25	Nov. 2	Oct. 15
cloth	30+10c	Oct. 30	Oct. 15
Aircraft	*25c	Oct. 31	Oct. 15
Grain p.	$2	Nov. 2	Oct. 17
Pete.	1½c	Oct. 28	Sept. 30
Co.	35c	Oct. 17	Sept. 30
Trusts p.	$1.25	Oct. 15	Sept. 30
M.	2c	Oct. 31	Oct. 15
Trust	$1.25	Oct. 15	Sept. 30
ew	30c	Jan. 2	Dec. 15
Cons.	5c	Oct. 7	Sept. 23
ne Shoe	50c	Oct. 7	Sept. 15
kel, pref.	†$1.75	Nov. 2	Oct. 3
Bank	$2	Nov. 2	Sept. 30
kel, pf.	$1.75	Nov. 2	Oct. 3
lling, pf.	†$1.25	Oct. 15	Oct. 2
ound., pfd.	75c	Oct. 15	Sept. 30
nze	37½c	Oct. 15	Oct. 1
ef.	37½c	Oct. 15	Oct. 1
., pr. pf.	†87½c	Nov. 1	Oct. 21
l. pf. A pf.	$1.50	Nov. 1	Oct. 15
rears	$5	Nov. 1	Oct. 15
dison G.	5c	Oct. 28	Oct. 9
Lake	2c	Nov. 4	Oct. 3
pfd.	▪50c	Dec. 11	Dec. 2
Gardens p.	40c	Oct. 15	Oct. 1
Dist., pf.	30c	Dec. 15	Dec. 1
Porc. M.	2c	Oct. 15	Sept. 30
H. & Pr.	37c	Oct. 31	Sept. 30
egraph	48c	Oct. 15	Sept. 30
Fron. p.	$1.50	Oct. 15	Sept. 30
. Power	12c	Oct. 26	Sept. 30
ref.	$1.50	Oct. 26	Sept. 30
cuit c.	†30c	Oct. 15	Sept. 11
el Car	50c	Oct. 15	Sept. 30
Mines	2½c	Oct. 31	Oct. 15
Porc.	8c	Oct. 15	Oct. 1
r Cons.	▪1c	Jan. 15 '43	Dec. 31
	75c	Nov. 16	Nov. 5
ref.	$1.50	Nov. 2	Oct. 21
Rouyn G.	2c	Oct. 24	Oct. 17
E. Dome	5c	Oct. 15	Sept. 24
Corp. pfd.	▪$1.50	Oct. 15	Sept. 19
2nd pref.	▪75c	Oct. 15	Sept. 19
Gold	1½c	Oct. 15	Sept. 15
ary M.	5c	Oct. 29	Oct. 15
per, pref.	$1.75	Oct. 2	Sept. 15
Power	25c	Nov. 25	Oct. 26
Knit., c.	25c	Jan. 15	Jan. 2
Paper	15c	Nov. 16	Nov. 6
ref.	$1.50	Dec. 1	Nov. 16
onio G.	7+3c	Nov. 6	Oct. 20
y Pwr., p.	$1.37½	Nov. 1	Oct. 15
Prem.	4c	Oct. 26	Oct. 5
Williams	15c	Nov. 2,	Oct. 15
Creek	4+1c	Oct. 15	Sept. 30
gan W.	22c	Nov. 25	Oct. 28
Corp., pfd.	▪25c	Oct. 15	Sept. 30
Paper, pf.	▪75c	Oct. 15	Sept. 30
Smith, p.	$1.50	Oct. 15	Sept. 30
Power pf.	$1.50	Oct. 15	Sept. 19
Power, c.	20c	Nov. 16	Oct. 20
Cons.	3c	Nov. 16	Oct. 15
Radio, A, B	10c	Oct. 10	Sept. 30
, pref.	$1.62½	Nov. 2	Oct. 17
t Cons.	1c	Oct. 15	Sept. 25
Can.	75c	Nov. 2	Oct. 7
ref.	75c	Nov. 2	Oct. 7
Gold	2c	Nov. 23	Oct. 22
Tob., pfd.	$1.75	Oct. 15	Sept. 30
A & J., pfd.	$1.75	Nov. 2	Oct. 15
Breweries	10c	Oct. 15	Oct. 1
Geo., pref.	$1.25	Nov. 2	Oct. 15
Grocers	75c	Oct. 15	Sept. 20
pref.	$1.75	Oct. 15	Sept. 20
	25c	Jan. 2	Dec. 15
Dist. pf.	$1.25	Oct. 15	Sept. 30
	20c	Oct. 31	Oct. 15
ref.	37½c	Oct. 31	Oct. 15

e in U. S. funds.
t to approval of Foreign Exchange Control Board.

Mining Dividends

	Rate	Oct. 5	Yield %
Anglo-Huronian	20c	2.10	..
Argus Interests	†4c	.25	..
Aunor Gold	16c	1.07	14.9
Bayonne	†1c	.03	..
Beattie Gold	10c	.80	..
Berens River	9c	.00	..
Bralorne	80c+40c	5.85	*20.5
Broulan Porc.	12c	.38½	..
Buffalo Ankerite	▲30c	1.14	..
Bulolo Gold	$3	8.00	..
Can. Malartic	8c	.35	..
Cariboo Gold	15c	.85	..
Central Patricia	15c	.65	..
Chesterville	▲15c	.55	..
Cochenour Willans	6c	.55	10.9
Coniagas	10c	.75	..
Coniaurum	‡10c	.54	..
Cons. Smelters	$1+$1.50	34.00	7.3
Delnite	6c	.52	..
Dome Mines	$1.60	14.00	11.4
East Malartic	‡5c	1.01	..
Francoeur Gold	▲4c	.16	..
Goldale Mines	2c	.08¾	..
Gold Belt	4c	.12	..
Grandview	2c	.12	..
Grull Wihksne	†.00½c	.01¾	..
Hallnor	40c	1.70	23.5
Hard Rock	3c	.32	..
Hedley Mascot	6c	.22	..
Hollinger	65c	7.25	8.9
Howey Gold	2c	.12½	..
Hudson Bay	$2	22.75	8.8
Inter. Nickel, com.	$2	32.50	6.2
Island Mountain	8c	.85	..
Jason	▲4c	.10½	..
Kerr-Addison	‡27c	3.60	..
Kerr Lake	▲5c	.50	..
Kirkland Lake	6c	.39	..
Lamaque Gold	‡30+25c	3.30	..
Lake Shore	80c	7.50	10.7
Leitch	8c	.47	17.0
Little Long Lac	‡10c	.66	..
Macassa	32c	1.90	16.7
Madsen R. Lake	3c	.36	..
Malartic Gold	▲10c	1.27	..
McGillivray Coal	1c	.10¼	..
McKenzie Red L.	12c	.51	23.5
Moneta	8c	.23	..
McIntyre-Porc.	$2.22+$1.11	38.00	*8.7
MacLeod-Cockshutt	10c	1.00	..
Negus	5	.30	..
Nipissing	15c	.91	..
Noranda	$4	44.00	9.1
North Empire	‡10c	2.00	..
O'Brien Gold	3c	.47	..
Pamour Porc.	8c	.36	..
Pato Cons.	‡25c	2.10	..
Paymaster Cons.	2c	.13½	..
Pend Oreille	▲8c	1.00	..
Perron Gold	16c	.66	24.2
Pioneer, B. C.	‡33c	1.14	..
Pickle Crow	30c	1.38	21.7
Placer Develop.	25c	5.00	..
Powell Rouyn	2c	.37	..
Premier	7½c	.36½	..
Preston E. Dome	20c	1.35	14.8
Privateer Mines	12c+1c	.25½	..
Quebec Gold	▲2c	.20	..
Reno Gold	20c	.07	..
San Antonio	14c+6c	1.40	*14.3
Sheep Creek	16c+4c	.67	*29.8
Sherritt Gordon	10c	.58	..
Sigma Mines	60c	4.30	..
Silbak Premier	16c	.55	..
Siscoe	‡5c	.34	..
Sturgeon River	2c	.11	..
Sudbury Basin	2½c	1.20	..
Sullivan Cons.	9c	.53	..
Surf Inlet	1c	.06	..
Sylvanite Gold	20c	1.25	16
Teck-Hughes	40c	1.47	..
Toburn	11c+2c	.50	*26
Upper Canada	‡5c	.65	..
Ventures	20c	3.30	..
Waite Amulet	40c	3.00	..
Wendigo	3c	.15½	..
Wright Harg.	40c	2.13	18.7

▲Paid in 1941. *Yield including bonus. †Initial. ‡Paid in 1942 to date.

Threshing in Full Swing

Acute Labor Shortage Develops in Grain Fields

From Our Own Correspondent

WINNIPEG. — Threshing has been in full swing over the greater part of the prairie provinces, accelerated by a period of warm, sunny days which dried out the grain in stooks and that standing ready for the combine harvesters.

In some exceptional districts the work had been accomplished earlier, and farmers have been able to turn to other seasonal occupations, such as fall plowing.

Revival of threshing brought renewed attention to two of the principal worries which now beset farmers—the question of labor and that of storage space. A long delay in operations, caused by poor weather, has greatly increased labor difficulties for it has kept tens of thousands of farmers idle during weeks when their own unaided efforts would have been able to accomplish much.

The Dominion Government, provincial governments and municipal authorities are endeavoring to ease the situation. Probably some men will be released by military authorities for harvest work, and the calling up of others under national selective service may be delayed for a time.

Businessmen Help

Businessmen from country villages are going out into the fields to work. A number of employers have given leave of absence for harvest work to employees. A harvest excursion from eastern Canada is promised, reviving memories of conditions which prevailed before 1914, when 30,000 or 40,000 men might be recruited from Ontario, Quebec and the Maritime provinces for two or three months work in the grain fields.

Some students have interrupted their studies in order to increase their cash resources by a few weeks of harvesting. Delayed opening of schools helped a little in easing the situation.

Inevitably, however, the great bulk of the work in harvesting and threshing will have to be done by farmers and their families, with women and children doing unaccustomed tasks, and farmers exchanging work or working for other farmers for pay. A few weeks of suitable weather, enabling the whole of the labor force to be used to good advantage, will mean more than all the special schemes to be tried.

Effect of the favorable weather is illustrated by last Monday's country deliveries — 2.5 million bushels of wheat and two million bushels of coarse grains. This compared with 3.3 million bushels of wheat and 3.7 million bushels of coarse grains in the whole week ending Oct. 2.

Elevator Situation

A short period of good weather will also mean congestion of country elevators in which, because operations have been delayed, a considerable volume of empty space has remained. Grain shipments down the lakes from terminal elevators at Port Arthur and Fort William have been at a very slow rate because the great majority of lake carriers are taking eastbound cargoes of ore instead of grain.

When freeze-up brings the ore traffic to an end, there will remain a brief period of navigation during which scores of lake vessels will probably be diverted to make one or possibly two trips with grain, and some of them to keep grain in winter storage.

The great hope of farmers in disposing of fair quantities of grain lies in a heavy movement of oats and barley, particularly to the United States. Purchasers south of the line are showing a good deal of interest in these grains, and the demand so far has kept ahead of quantities available. If a good movement gets under way it will probably be continued during the winter by all-rail shipments.

The Canadian Government has given wide open permits for the export of oats and barley up to Nov. 1, but dealers are left in uncertainty as to the policy that will be pursued after that date. Those who know the quantities available in western Canada find it inconceivable that restrictions should be imposed.

Buyers in the U. S. however, cannot be expected to have corresponding confidence, and definite announcement of freedom of movement during the crop year is required to permit forward purchases to be made in satisfactory quantity.

Coarse Grain Deliveries

The Wheat Board has relaxed restrictions to permit deliveries of coarse grains up to 10 bushels per seeded acre, against quotas on wheat which are usually smaller. But, while every farmer is sure to want to deliver wheat up to the full limit allowed by his quota, this is not necessarily true with respect to coarse grains, in view of the quantities which are grown for consumption on home farms. To take care of the requirements of some farmers, quotas will have to be advanced to 30, 40 or 50 bushels per acre, while other farmers will have no such quantities to market.

So far market prices for oats and barley have kept well above the minimum prices guaranteed by the government through the Wheat Board, which has not been called to make good on its open orders for these grains at such prices.

Wheat for delivery throughout October continues to command the 90-cent basic price which the Wheat Board pays to farmers making deliveries. Some of the lower grades are at premiums over the Wheat Board basis, but not to a sufficient extent to invite open market selling.

Durum Gets Premium

Durum wheat has been commanding a very substantial premium over No. 1 Northern, up to 4 cents a bushel, and some sales have been made outside of the Wheat Board. There has been a great decline in Durum acreage since the introduction of Thatcher wheat gave farmers another chance to escape the danger of rust.

Some purchases of western wheat are being made for mills in the United States. These are supplying their customers in export markets with flour milled from Canadian wheat, instead of from the more expensive American wheat which the tariff reinforced by quota restrictions forces them to use for their domestic business.

Distilleries Diversion May Hit Future Profits

Uncertainty Surrounds Immediate Effect on Earnings of Order Switching All Liquor Plants to Production of Alcohol For War Purposes

Diversion of all Canadian distilleries to war purposes as from Nov. 1, by order of Chemicals Controller E. C. Sterne, will have a direct bearing upon earning power of the companies in this field.

If the industry has to drop the manufacture of spirits for two or three years, or even longer, it means that anywhere from four to seven years from now stocks of matured whiskies will cease to exist if sales continue at the present rate. To this extent the current conversion is a real threat to earning power at some future date.

Canada's action closely parallels that taken in the United States. In the latter country, the entire output of the distillers is to be diverted into industrial alcohol for war purposes from Oct. 8. This fact is of great interest to the two largest Canadian distilling firms—Distillers Corp.-Seagram and Hiram Walker-Gooderham & Worts. These two Canadian companies rank among the four leading distillers in the United States and probably do about 90% of their business in that country.

It is expected that the distilleries will be able to make at least a small profit from industrial alcohol, particularly after the initial period of adjustment is over. The immediate earnings position should not be too drastically altered, but much will depend on what policy is adopted in current sales of liquors. It is hardly likely that liquor companies will push sales of liquors as such action would bring closer the time when inventories would disappear.

Already Producing Alcohol

Hiram Walker-Gooderham & Worts is already a substantial producer of industrial alcohols and has expanded its facilities for this purpose. Its latest annual report—as at Aug. 31, 1941—showed inventories of spirits at record levels. In the United States, the company held 49.6 million U. S. proof gallons, valued at $11.2 millions. In Great Britain and Canada on the same date it held 19.4 million Imperial gallons, valued at $11.5 millions.

Distillers Corp.-Seagrams Ltd. operates two plants in Canada, one at Ville La Salle, just outside of Montreal and the other at Waterloo, Ont. The combined capacity of these two units is 7.8 million gals. annually.

This company also has very extensive operations in the United States. Its statement of operations and earnings are consolidated so that it is not possible to determine the extent of its Canadian business or the amount of alcohol held in storage in this country. However at the end of last year inventories were shown on the balance sheet at $50 millions. Part of this would represent items other than maturing alcohol.

Canadian Industrial Alcohol, which is controlled by Hiram Walkers, has a plant at Corbyville with an annual capacity of six million gals.

40 Cents a Gallon Cost

At the end of last year spirits on hand had a value of $2,661,624. As the cost of manufacture was probably around 40 cents a gallon, the company would appear to have carried stocks of around 6.5 million gals.

It already has been devoting a large part of the output of its Corbyville plant to making alcohol under government contract, so that the shift is not likely to involve any major disruption in schedules.

Melchers Distilleries is another unit which has been making alcohol on government account for some months past. Its Berthierville, P.Q., plant has an annual capacity of two million gallons.

This company does not ordinarily carry heavy inventories. At the end of last year stocks on hand were shown on the balance sheet at $640,251.

Commercial Alcohols Ltd., of Montreal, operates a plant with an annual capacity of 1.8 million gallons. The company is also an important producer of magnesia. It is not a producer of potable alcohol and would not be affected by the order diverting distillers to war production.

Both divisions, particularly the magnesia, have been actively employed in filling government orders for some time past.

In addition to these operators, Distillers Corp.-Seagrams controls the B.C. Distillery, of New Westminster and Amherst Distillers Ltd., of Amherstburg.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	....	$10.00	$9.06
Hogs	....	15.25	14.75
Copper, lb.	*.12	.12	.12
Cotton, lb.	.1957	.1956	.1774
Sugar, raw, lb.	*.0374	.0374	.0350
Wheat, Man. (bu.)	.90	.89⅞	.76⅞
Coffee, lb.	*.09⅝	.09⅝	.09⅝
Hides	*.15½	.15½	.15
Weekly Indices			
U. S. Labor	99.4	99.3	91.2
Wood, Gundy	77.9	77.9	75.0
Dow Jones (fut.)	85.47	85.86	82.60
Fishers	108.2	107.8	98.8
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)	117.4	117.7	114.7
W'sale (Aug.)	95.6	96.1	92.1
U. S. (July)	98.7	98.6	88.8
Gt. Brit. (Aug.)	158.6	159.8	153.2

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

Wheat Prices

Winnipeg Grain Futures

Week on Oct. 5, 1942

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close Oct. 5
		Wheat			
.90	.90	Oct.	.90	.90	.90
.91¼	.90⅝	Dec.	.91¼	.91⅛	.91¼
		Oats			
.48½	.45½	Oct.	.47⅝	.46⅝	.47½
.48⅝	.45	Dec.	.46⅝	.45⅝	.45½
.48¼	.46⅝	May	.47⅝	.46⅝	.46⅝
		Barley			
.61⅜	.60¼	Oct.	.60⅝	.60¼	.60⅝
.61½	.60¼	Dec.	.60⅞	.60⅝	.60⅝
.62½	.61⅝	May	.62½	.61⅝	.61½
		Rye			
.62¼	.52¾	Oct.	.59	.56¾	.56⅞
.63¼	.53⅝	Dec.	.60	.57⅝	.57⅝
.64⅝	.59¼	May	.62½	.59¼	.60

Cash Quotations

For Week

Wheat	Oct. 5 High	Low	Prev. Week High	Low
1 Nor.	.90	.89⅞	.89⅞	.89⅝
2 Nor.	.87	.86⅞	.86⅞	.86⅝
3 Nor.	.85⅝	.84⅞	.84⅞	.84⅝
4 Nor.	.83¾	.83¾	.83	.82⅝
5 Wheat	.83⅛	.82	.81½	.80½
6 Wheat	.82	.78⅛	.79	.77½
Feed	.80	.77½	.77	.75
Oats				
2 C. W.	.49⅛	.48	.49⅞	.48⅝
3 C. W.	.45⅞	.45¼	.48½	.46⅝
Barley				
1 Feed	.56⅝	.56⅛	.56⅝	.56¼
2 Feed	.56¼	.55⅝	.56	.55
Rye				
2 C. W.	.58⅝	.56⅞	.60⅜	.58⅝

Commercial Travellers To Combat Axis Rumors

Representatives of the six commercial travellers' associations of Canada, at a Toronto conference, established a permanent national committee, headed by Murray W. Hayes of Montreal, to co-ordinate their activities and further assist the war effort.

A subcommittee was set up to launch a campaign against malicious rumors, working with the management service section of the Wartime Prices and Trade Board. For this effort the aid of the 40,000 commercial travellers in Canada will be enlisted by letters and posters will be prepared for use in hotels.

The organization to work with W.P.T.B. was set up after the conference had heard Hugh Mackenzie, director of the division of simplified practice. Commercial travellers have already been used by W.P.T.B. to disseminate useful information.

It was also considered by the conference that the efforts of commercial travellers might be used in Canada as in the U. S. in connection with salvage drives, and the help of the association is being offered for this work.

The National Committee which Mr. Hayes heads consists of:

MURRAY W. HAYES, president, W. H. Meighen Ltd.

JOHN CURTIS, president, Commercial Travellers Association of Canada.

W. H. C. SCHWARTZ, president, Maritime Commercial Travellers Association.

J. R. BOUTILLIER, president, North West Commercial Travellers Association.

CLARENCE J. ATKINS, president, Ontario Commercial Travellers Association.

J. T. BERRINGTON, Associated Canadian Travellers.

Income Tax Officials Rule On Investors Syndicate

Rulings on the position of payments under installment savings contracts with Investors Syndicate of Canada Ltd. have now been made by the income tax authorities. The authorities state they have reviewed the contracts issued both by Investors Syndicate of Canada and Investors Syndicate of Minneapolis which operated previously in Canada and rule that:

Payments on savings contracts in force prior to June 23, 1942, are eligible as an offset against the refundable part of the income tax, but deductions must not exceed the total payments required to be made by the taxpayer during the year nor can they exceed the amount actually paid in the year under the contract.

Payments under contracts issued since June 23, 1942, by Investors Syndicate of Canada are also allowed as an offset when such contracts were issued to take over contracts issued previously by Investors Syndicate of Minneapolis to Canadian residents. But the amount deductible must not exceed the amount of the annual payment made by the taxpayer on the original contract and only for the number of unexpired years required to complete the original contract. Thus if the payment of $100 has been made annually for 11 years on a 15-year contract originally entered into with Investors Syndicate of Minneapolis, before June 23, 1942, by a Canadian resident and this original contract is now taken over by Investors Syndicate of Canada Ltd., the taxpayer may deduct from the refundable or compulsory savings portion of his tax the same amount of $100 for a further period of four years only.

This term cannot be altered even if the Canadian company may have issued a new contract after June 23, 1942.

Grant Fellowship To Study Fats

How to make lard, blended shortening, beef fat, butter fat, bacon and vegetable oils stay fresh longer is the purpose of research to be undertaken by scientists of Macdonald College of McGill University. The work will be headed by Dr. W. D. McFarlane, F.R.S.C., professor of chemistry at Macdonald, and Alair Lips, graduate of the University of British Columbia. It will be financed by a fellowship in nutrition granted by Swift Canadian Co., Ltd., announced by J. H. Tapley, president.

The studies are of particular importance as regards the supply of food for overseas, and antioxidants to be tried to arrest deterioration will be taken from many sources, including cereal-germ oils, cottonseed meal, cocoa shell, bran, alfalfa meal and purely chemical substances. The investigation is the second to be financed by Swift Canadian as a contribution to the war effort and the improvement of the nation's health.

English Electric Co. of Canada now has a dividend record on its class stock of regular payments at $2.50 a share annually for five consecutive years from Sept. 15, 1937. Wording of a reference to the company's position in a recent issue of The Post left a chance for misunderstanding as to its earnings and dividend status. The actual reported net profits, dividends paid and surplus, or deficit, for each of the past four years follows:

	Net profit $	Div. paid $	Surp. for year $
1938	180,162	111,588	68,574
1939	75,036	106,787	*31,751
1940	129,699	106,490	23,209
1941	107,197	106,490	707

*Deficit.

DIVIDEND NOTICES

Negus Mines Limited

(No Personal Liability)

Interim Dividend No. 4

NOTICE IS HEREBY GIVEN that an interim dividend of two and one-half cents per share in Canadian funds has been declared on the issued capital stock of the Company and will be paid on the 31st day of October, 1942, to shareholders of record at the close of business on the 15th day of October, 1942.

By Order of the Board.

W. M. McINTYRE,
Secretary-Treasurer.

410 Royal Bank Bldg.,
Toronto, Ontario,
September 29, 1942.

San Antonio Gold Mines Limited

(No Personal Liability)

Dividend No. 18

Notice is hereby given that a dividend of 7c a share, and an extra dividend of 3c a share, making 10c a share in all, has been declared on the outstanding capital stock of the Company, payable in Canadian funds, on the 6th day of November, 1942, to shareholders of record at the close of business on the 20th day of October, 1942.

By Order of the Board.

M. SNYDER,
Secretary.

Winnipeg,
October 5th, 1942.

Since 1857

James Richardson & Sons
LIMITED

Grain Merchants
Shippers and Exporters

HEAD OFFICE
WINNIPEG

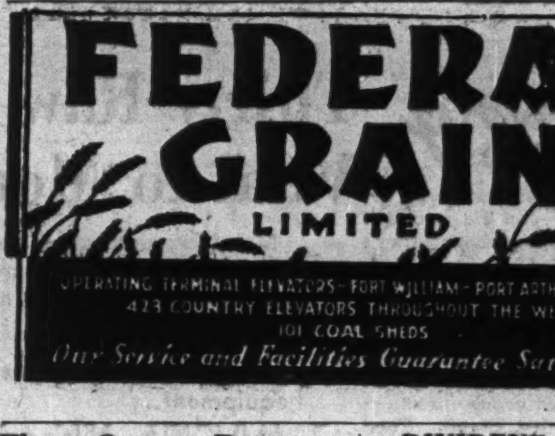
Branches Throughout Canada

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.

Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds

Country and Terminal Elevator Operators
Grain Merchandising

MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS



FEDERAL GRAIN
LIMITED

OPERATING TERMINAL ELEVATORS—FORT WILLIAM—PORT ARTHUR—VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS

Our Service and Facilities Guarantee Satisfaction

Flour Output Down Slightly in August

Canadian flour mills produced 1,820,199 bbl. of wheat flour in August this year, first month of the current milling year, as compared with 1,852,139 bbl. for the same month in 1941. The mills operated at 79.4% of capacity this year against 82.3% a year ago.

In August this year, Canadian mills ground 8.1 million bushels of wheat compared with 8.2 million bushels a year ago.

DIVIDEND NOTICES

The Dominion Bank

Dividend No. 240

Notice is hereby given that a Dividend of two per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st October, 1942, making a total distribution of nine and one-half per cent for the fiscal year. The Dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of November, 1942, to shareholders of record of the 15th October, 1942.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 10th September, 1942.

The Canadian Bank of Commerce

Dividend No. 223

Notice is hereby given that a dividend of one and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1942, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd November next, to shareholders of record at the close of business on the 30th September, 1942. The Transfer Books will not be closed.

By Order of the Board,

A. E. ARSCOTT,
General Manager.

Toronto, 15th September, 1942.

Fairchild Aircraft Limited

NOTICE OF DIVIDEND

NOTICE is hereby given that a dividend of Twenty-five cents (25c) per share on the shares of the Company has been declared payable on the 31st day of October, 1942, to shareholders of record at the close of business on the 15th day of October, 1942.

By Order of the Board,

R. B. IRVINE,
Secretary-Treasurer.

Anglo-Canadian Telephone Company

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and Three-Eighths per cent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending October 31, 1942, payable November 2, 1942, to Stockholders of record at the close of business on October 15, 1942.

By Order of the Board.

CAMERON HOUGH,
Secretary.

Montreal,
October 5, 1942.

DELNITE MINES, LIMITED

(No Personal Liability)

To SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND NO. 6.

TAKE NOTICE that an interim Dividend of 3% (i.e. three cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 6.

Such Dividend will be payable November 30th, 1942, to Shareholders of record at the close of business, November 7th, 1942.

In the case of Share Warrants such Dividend will be payable on or after November 30th, 1942, in respect of the shares specified therein, upon presentation and delivery of Coupon No. 6, accompanied by requisite evidence that the coupon holder is domiciled and resident outside of Ontario, at The Canadian Bank of Commerce, Toronto, Canada.

BY ORDER OF THE BOARD,

W. S. WALTON, Secretary.

October 3rd, 1942.

DIVIDEND NOTICES

SOUTHERN CANADA POWER COMPANY, LIMITED

The Board of Directors has declared this day the following dividend:

No Par Value Common Stock

No. 70, quarterly, 20c. per share, payable November 16th, 1942, to holders of record at the close of business October 20th, 1942.

L. C. HASKELL, F.C.I.S.,
Secretary.

Montreal, October 2nd, 1942.

Sullivan Consolidated Mines, Limited

Dividend No. 15

Notice is hereby given that a dividend of three cents per share on the issued capital stock of the company has been declared, payable November 16th, 1942, to shareholders of record at the close of business October 15th, 1942.

By Order of the Board.

A. ARCHAMBAULT,
Sec.-Treasurer.

Montreal, Que.
September 29th, 1942.

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to shareholders of record the 15th day of October, 1942, and that cheques will be mailed on November 2, 1942.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Quebec.
September 3, 1942.

Honey Dew Limited

Dividend Notice

Notice is hereby given that a dividend of fifty cents (50 cents) per share, on the outstanding capital stock of the Company, has been declared payable on the second day of January, 1943, to shareholders of record at the close of business December 15, 1942.

By Order of the Board,

R. G. McMULLEN,
Secretary.

Toronto, Ontario.
October 1, 1942.

THE STEEL COMPANY OF CANADA LIMITED

PREFERENCE DIVIDEND NO. 135

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Preference Shares of the Company has been declared for the quarter ending September 30, 1942, payable November 2, 1942, to shareholders of record at the close of business October 7, 1942.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, September 30, 1942.

THE STEEL COMPANY OF CANADA LIMITED

ORDINARY DIVIDEND NO. 165

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Ordinary Shares of the Company has been declared for the quarter ending September 30, 1942, payable November 2, 1942, to shareholders of record at the close of business October 7, 1942.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, September 30, 1942.

Pickle Completes North Shaft

Expect Work in Ore on New Levels in Near Future

From Our Own Correspondent

PICKLE CROW.—Following completion of a new winze from the 750 to 1,150-ft. horizon in the new "north mine" at Pickle Crow Gold Mines, crosscutting is to be started immediately on three new levels. It is hoped work will be in ore within five weeks on the bottom level in this area.

The winze is located 5,400 ft. northwest from the main shaft and is at the west end of the No. 749 or north ore bodies which have improved the general mine position over the past year.

At 125-ft. Intervals

The new north levels have been established at 125-ft. intervals and crosscuts to the north ore bodies will be relatively short. Diamond drilling has confirmed the downward extension of the north zone deposits to a distance of at least 1,300 ft. so it is expected the new levels will result in a substantial addition to ore resources.

On the 750-ft. level the north ore bodies show a length of 767 ft. with irregular ore widths up to 12 ft. There are stated to be indicated at this level in excess of 500 tons of ore per vertical foot grading 0.4 oz. gold per ton and corresponding results on the three new levels would mean an addition of about 180,000 tons of higher than average grade ore for milling—or nearly 1½ years' milling requirements.

Labor Hits Output

Production the first half of this year totalled $1,157,281 from 65,027 tons of ore milled, an average recovery of $15.11 per ton. Milling rate the second quarter declined to 345 tons daily from an average of 401 tons daily for last year. Production in the third quarter is stated to have been relatively well maintained although there was some decline in tonnage treated in September. This has been due to the shortage and inefficiency of underground crews, it is stated. Estimated profit for the first half of the year is 16 cents a share.

3½ Years' Ore in "Howell"

The mine has a substantial tonnage of ore remaining in the "Howell" vein to take care of milling requirements while operations are gradually shifted over more to the north mine workings. At the beginning of the year there were estimated to be 650,000 tons of ore remaining in the Howell vein grading 0.35 oz. or $12.25 per ton at $35 gold. This supply is sufficient for 3.5 years' milling requirements. Grade and ore dimensions have both shown reductions as depth has been reached in the Howell sector.

Recover Scheelite

Mill flow sheet facilities have been changed recently for the recovery of tungsten-bearing scheelite. Scheelite has been found to occur freely in the north ore bodies. The ore is sorted on the picking belts, ground and separated, with subsequent concentration on the Wilfley tables. It is expected a high grade concentrate will be produced.

Maintenance of production—as at most mines—is dependent on the labor situation. While tonnage has shown some reduction, treatment of a higher average grade of ore from ore bodies in the north area next year may prevent this from having an adverse effect on profits.

With an inventory of over $300,000 on hand, the mine is stated to have over a year's supply of critical materials at the present rate of production.

Stoping Confirms Grade

Work carried out on the 750-ft. level of the north zone has demonstrated the high-grade character of the ore in that area. Preliminary stoping in recent months has confirmed both grade and tonnage of these bodies. Stope No. 749 in the west section has been prepared over a length of 300 ft. A total of 3,984 cars of ore mined (1.1 tons per car) have returned an average grade of 0.68 oz. gold per ton or $23.80 per ton taking gold at $35 an ounce. This ore has been stoped out over a width of 12 ft.

Stope No. 750 in the east section has been opened up for a length of 430 ft. A total of 2,954 cars of ore mined have averaged 0.25 oz. gold per ton. Results in these two stopes suggest that the tonnage estimate of 500 tons to the vertical foot averaging 0.4 oz. gold per ton will be realized. Owing to the irregular character of the flat-lying structures, however, dilution of ore with waste may run high and the final grade mined may be in the neighborhood of 0.35 oz. gold per ton.

Cut New Levels At Central Pat.

Interior Shaft Gives New Deep Levels at 2,200 to 2,650 ft.

From Our Own Correspondent

CENTRAL PATRICIA.— A new four-compartment interior shaft has been sunk at Central Patricia Gold Mines to allow opening up ore deposits at greater depth.

The shaft extends from the 2,050-ft. level to a depth of over 2,650 ft. with levels at 2,200, 2,350, 2,500 and 2,650 ft.

Working the Four Levels

Crosscutting is already well advanced on all four of the new levels, but initial deep exploration will be done on the two lowest levels. On the bottom level at 2,650 ft., the crosscut entered the iron formation at 180 ft. south of the shaft with a width of 35 ft. shown for this formation. Drifting has been carried 80 ft. to the east and preparations are being made for exploratory horizontal drilling. On the 2,500-ft. level the crosscut has been carried for 190 ft. and the iron formation is expected at 230 ft. When this is reached, drifting will be started to the east.

In the main ore bodies of the mine, stoping operations have been carried through from the 2,050-ft. level to the 1,900-ft. level. Lengths and grade have been better than indicated by drift exploration at the 2,050-ft. level with the "C-20" stope well above mine average.

Large Area Unstoped

Stope preparation is now proceeding on the 19th level. Relatively little stoping has been done on the main ore bodies—the K, C and D structures—above the 1,900 to the 1,450-ft. horizon.

Grade mined and milled has been affected by the "overbreak" in the stopes, due to the inexperience of a proportion of the underground crews. This has been somewhat accentuated by the irregular character of the ore bodies.

Improvement in results noted in stoping above the 2,050-ft. level suggests that ore-making conditions at depth are perhaps considerably better than seemed indicated a few months ago. For this reason the new levels at depth have improved possibilities.

The Week in Oils

From Our Own Correspondent

CALGARY.—As a result of conferences during the last few weeks, attended by members of the Conservation Board, Dr. George Grainger Brown and Turner Valley oil operators, important modifications are being made in the method of allocating production allowables to Turner Valley crude oil and gas wells.

On Sept. 1 the full "Brown Plan" —under which output of all wells was fixed at 25 bbls. of "reservoir fluid" per acre per day—was placed in full effect. Dr. Brown then came to Calgary to discuss with the Conservation Board and the operators the programme he initiated.

At the meetings a number of operators declared they desired to undertake experimental operations to determine whether, in the case of particular wells, a production greater than at the rate of 25 bbls. reservoir fluid per acre per day could be permitted without detriment to the field. Dr. Brown and the Board agreed to this provided that the operators would submit in writing full details of their operating proposal.

• • •

May Issue "Orders"

If acceptable to the Board, individual orders would be issued directing the operation of the well according to the plan approved. Such orders may extend over a two- or three-month period but are subject to cancellation at any time by the Board if it becomes evident that the experimental operation was not achieving the expected results.

Some operators are expected to submit proposals immediately. Because of this the Board will not issue the usual monthly schedule of allowables, covering all oil and gas wells, but will issue individual orders for wells or groups of wells authorizing experimental operations. For wells on which no proposals for experiments are submitted, the Board within the next week or so will likely issue a schedule of allowables based on the Brown formula.

Pending this, the Board has issued an order continuing in force the September allowable schedules.

• • •

Big Well in Taber

Going on pump with an initial recovery in excess of 300 bbls. per day, Standard of British Columbia-Nassau Explorations initial well at Taber, Taber-Province No. 1, provided news.

Pumping got under way late last month, the well starting off at a rate of some 200 bbls. daily in a 14-hour run. As the pumps pulled oil into the hole the rate of production increased. The first regular 24-hour run showed a recovery of 180 bbls.

This was increased to 331 bbls the next 24 hours and 329 bbls. the following day. Next day the well had to be temporarily shut in while loaded storage tankage was cleared.

• • •

Ship to Refinery

With the commencement of pumping test, shipments by tank truck to the Huff Refinery at Lethbridge (40 miles to the west) got under way. Shipments are being made at a rate of around 250 bbl. per day, for the time being at least, but may be increased should the well continue to be capable of producing at the present indicated rate.

The Taber-Province output is the greatest of any well in Canada outside of the Turner Valley field. Oil is being obtained from the Sunburst sand horizon, overlying the Madison limestone. Producing depth is 3,161 to 3,173 ft. Gravity of the oil is about 18 degrees A.P.I., considerably heavier than that obtained in Turner Valley. No exact data is yet available on the value of the Taber-Province crude, but it is probable that its high value at the well-head will be slightly under $1 per bbl.

• • •

Watch Hi-Test Well

Meanwhile, oil operators are watching the progress at Hi-test Petroleums No. 1 well, Taber test located about 1½ miles northwest of the Taber-Province producer, and the same distance south of the Plains Pete. No. 2, the original Taber field producer, which is making around 35-40 bbl. of oil per day from the Ellis sand, another sand with oil possibilities which lies between the Sunburst and the Madison.

Hi-test No. 1 will complete drilling any time now. Last report from the well showed core-drilling proceeding below 3,104 ft., within 100 ft. of the objective oil sands. Results obtained at this test, coupled with the progress of production at Taber-Province, will have a bearing on the future course of development in the Taber area.

• • •

Finish Turner Well

In Turner Valley another well has reached completion in the north extension area. Foothills No. 9, located in L.S.D. 14 27-20-3w5th, completed drilling late in September at a depth of 7,546 ft., 1,328 ft. in the Madison limestone. The well penetrated ft. upper porous horizon b 6,340 and 6,440 ft., followed by ft. lower porous horizon be 7,380 and 7,530 ft. While the p tive outlook is considered to be favorable, results of tests w available at this writing.

On the central west flank, B ite No. 65 topped its Madison stone objective at 6,692 ft., drilling to run and set pro string of casing, resumed sin at last report was making new below 6,747 ft., 55 ft. in the son.

In the far south end of the Northwest Hudson Bay No. penetrated a thick upper horizon and is drilling below ft., 225 ft. in the Madison lime

Mining INVESTMENTS

The current copper situation in the United States—and the need for still greater supplies in that country —has some interesting angles for Canada, from what the American Metal Market states in a recent issue.

Canada is mentioned along with South American countries as a source of increased copper production for the United States. The American Metal Market also suggests that Canadian copper may soon be shipped to the United Kingdom via the United States. Here is what was said on this point:

> "Our copper problem is the problem of all the United Nations. We must expect that some of our copper will have to be sent to others, and it is possible some of the copper we now get from Canada will, in a few months, have to be sent to Great Britain."

• • •

Gold mining news these days has been punctured with reports of gold producers closing down. Two weeks ago The Financial Post listed 31 gold mining "casualties" in 1942 and expressed the opinion further mines would have to close.

Since that tabulation was made news has been released that Sand River Mining Co. has suspended production and that Sturgeon River Gold Mines will suspend milling shortly. Shareholders of the respective companies will be glad to learn, however, that it is planned to resume work after the war. Northern Empire Mines Co., which has been developing the Sand River property, has had its agreement extended while Sturgeon River Gold Mines, which has been operating profitably recently, has large ore resources on hand and the necessary money to resume work after the war. Closing down is stated to be entirely a case of labor shortage at this latter mine.

• • •

Wood Cadillac Mines, one of the gold producers to suspend milling recently, hasn't perhaps as bright a future prospect as the two listed above. This company has $300,000 owing to Mill Builders Ltd. which erected the mill and the latter company has now asked payment of its account. Wood Cadillac is stated to be without funds to meet this debt.

Morris Kirkland Gold Mines, another company which had to give up milling, has been able to salvage something for shareholders after some financial difficulties. The company was placed in bankruptcy but enough was realized from sale of equipment to pay creditors in full with interest. On Sept. 9 the company was discharged from bankruptcy and is now continuing its existence with $3,700 in the bank and ownership of its property in the east Kirkland Lake area.

• • •

A new copper prospect is an encouraging development at this time when Canada is unable to turn out the full quota of desired base metals. Marginal and subeconomic properties have been canvassed, but a property of better grade is something to be desired much more, if it can be secured.

Two new copper properties have emerged recently that possess important commercial ore-making chances. At Schist Lake in Manitoba, Hudson's Bay Mining & Smelting Co. has indicated major ore possibilities in a diamond drilling programme covering a period of six months. In places the drilling is stated to have revealed even greater widths and in some sections higher grade ore than in the Flin Flon ore body.

Next to the Golden Manitou property in the Siscoe-Lamaque area of Quebec the Ventures interests have formed Rainville Copper Mines to acquire 2,000 acres on which diamond drilling has revealed interesting copper values. A zone 1,650 ft. in length, open at both ends, is stated to have been indicated to date averaging 18 ft. in width and carrying values running from 1 to 4% in copper with additional low values in gold, zinc and silver.

• • •

Canadian mineral production—less suppressed figures for strategic minerals—shows a number of increases for the seven months ended July 31, as compared with the corresponding period of 1941, the Dominion Bureau of Statistics reports.

Coal production was better than a million tons higher at 11 million tons; the output of cement was roughly 500,000 barrels greater at 4.7 million barrels; and lime production was about 5% better at 508,667 tons.

Thirty Raw Materials Vital to Modern War

Listed herewith are 30 raw materials considered most vital in war as given by Harry N. Holmes, President American Chemical Society, in his book, "Strategic Materials and National Strength."

1. ALUMINUM—Airplanes, incendiary bombs, camp equipment.
2. AMMONIA—Nitric acid—most explosives, fertilizer.
3. ANTIMONY ORE—Primers for shells, tracer bullets, storage battery grids, type metal.
4. ASBESTOS—Brake linings, insulation.
5. CHROMIUM—Stainless steels, tanning.
6. COTTON (cellulose)—Smokeless powder, photo film, plastics, clothing, cotton duck.
7. COAL—Explosives, neoprene rubber, ammonia, dyes, medicines, heat and power.
8. COPPER—Brass shells, dynamos and motors, power lines.
9. FATS—Glycerine — Nitroglycerine and dynamite, soap, food, lubricants, paints.
10. FOOD—Animal maintenance.
11. IRON—Steel, cast iron.
12. LEAD—Bullets, ethyl gas, paints, storage batteries.
13. MAGNESIUM—Airplanes, incendiary bombs.
14. MANGANESE—Alloy steels (deoxidizing and desulfurizing).
15. MERCURY—Mercury fulminate primers, scientific work, anti-fouling ship paint.
16. MOLYBDENUM—Alloy steels (especially high-speed tools).
17. NICKEL—Stainless steel, metal plating.
18. PETROLEUM—Gasoline, lubricants, synthetic rubber, glycerine, fuel oil, Diesel oil, mustard gas.
19. PHOSPHATES—Fertilizer.
20. POTASH—Fertilizer.
21. RUBBER—Tires, gas masks, gaskets, hose, clothing.
22. SALT—Chlorine—Neoprene rubber, chlorinated rubber, war gases, degreases, anti-freeze, bleaching, water purification, sodium hydroxide and soda.
23. STARCH—Dextrose sugar — Alcohol — Smokeless powder, nitrostarch, food, adhesives.
24. SULPHUR—Sulphuric acid to aid cotton nitration, toluene, etc., sulphur dioxide for bleaching, mustard gas, fundamental chemical.
25. WOOD—Cellulose—Smokeless powder, photo film, paper, construction, laminated plywood (airplanes, etc.).
26. WOOL—Clothing.
27. TIN—Tin cans, metal bearings, bronzes.
28. TUNGSTEN—Alloy steel (especially high-speed cutting tools).
29. VANADIUM—Alloy steels.
30. ZINC—Brass cartridges, die castings, galvanized steel.

(Air and water are taken as a matter of course).

Cariboo G. Q. Earnings Off

But Ore Reserves Show Increase For First Half of Fiscal Year

Although earnings of Cariboo Gold Quartz Mining Co. were equal to 8.65 cents a share for the six months ended July 31, 1942 — compared with 18.9 cents a share for the year ended Jan. 31, 1942—the trend of earnings has taken at least a temporary downward trend.

Profit of $20,647 for the three months ended July 31, 1942, was equal to only 1.55 cents a share or an earnings rate of 6 cents a share per annum as against earnings of 7.10 cents in the three months ended April 30, 1942.

Lower earnings in the July quarterly were attributable to lower production as operating costs and write-offs both showed decreases. Output less mineral taxes and mint charges but including miscellaneous revenue) totalled $339,091 for the July quarter compared with $476,979 the preceding three months. From figures given for production the first seven months of the year, it appears output in August was roughly on a level comparable to that in the July quarter.

Ore reserves as at July 31, 1942, totalled 447,429 tons averaging 0.404 oz. gold. This represents an increase of 5,757 tons during a six months' period, and also represents a slight increase in grade. At present, only one machine is working on development and all diamond drilling has been suspended. On the basis of the 60,937 tons of ore milled in the seven months ended Aug. 31, 1942, present reserves are sufficient for over four years' milling requirements.

In view of the unsettled labor situation the dividend payable Oct. 1 has been reduced to three cents a share. Working capital as at July 31, 1942, amounted to $386,213 as compared with $314,896 three months earlier.

Tax on Unlicensed Insurers Declared Invalid by Court

The Dominion Government has no right to tax premiums written by non-Canadian companies not licensed by the Dominion Department of Insurance, the Supreme Court of Canada has decided.

This is the effect of a judgment issued by the Supreme Court this week on a reference by the Dominion Government regarding the validity of section 16 of the Special War Revenue Act as amended in 1941. This section imposed a 10% tax on premiums written by non-Canadian companies not authorized under the Dominion laws to write insurance in Canada. This in effect made the tax apply only to non-Canadian companies writing business in Canada under provincial license only. The section was opposed by the provinces on the ground that it was an invasion of provincial jurisdiction and contrary to a decision already given by the Privy Council in 1931 on almost identical legislation.

The wording of the act was interpreted to exclude an association like Lloyd's and affected only one small boiler insurance company, it is claimed. The tax revenue to be obtained was estimated at about $250.

The bill amending the Special War Revenue Act, in spite of the opposition of the provinces, was passed by the Dominion Parliament and received the royal assent. By agreement between the Dominion and the provinces the section imposing the tax was not proclaimed pending a ruling by the Supreme Court on its validity. The court has now held the section ultra vires of the Parliament of Canada.

Decision of the court has been awaited with much interest in insurance circles because it was felt the real point at issue was not the tax but the whole matter of insurance jurisdiction which has been the cause of much expensive litigation in the past.

For some years the Dominion and provincial departments of insurance have been co-operating smoothly, the provinces confining their efforts to regulation of contracts and matters directly affecting property and civil rights, the Dominion concerning itself more with such matters as solvency. The tax was considered an interference with insurance contracts.

Soo Line Hearing Slated For Oct. 24

C. P. R. Approves Reorganization Plan Now Before Courts

From Our Own Correspondent

MONTREAL.—A hearing on objections to the plan for reorganizing the Minneapolis, St. Paul & Sault Ste. Marie Railway, better known as the Soo Line, started on Oct. 5 but was put off until Oct. 24.

Objections to the plan, already approved by the Interstate Commerce Commission, were entered by the Guaranty Trust Co. of New York and four Ohio bondholders.

Appearing in favor of the plan were representatives of a majority of mortgage bondholders, including insurance companies, savings banks and the Canadian Pacific Railway, largest owner of Soo Line securities.

I. C. C. Approved Plan

Contentions of the objectors to the plan were previously heard and rejected by the I. C. C.

Capitalization of the reorganized Soo Line, approved by the I. C. C., would consist of $8,051,630 of 4½% first mortgage income bonds; $20,129,076 of 4% general mortgage income bonds and 719,180 shares of no par value stock. In addition $1,948,370 of 4½% first mortgage income bonds would be placed in the treasury.

Regent Knitting Mills has declared a dividend of 25 cents a share on the common stock, payable Jan. 15 to shareholders of record Jan. 2. This brings payments for the year up to 75 cents a share, as against 25 cents a share in 1941 and the same amount in 1940.

Chesterville Cuts Rate of Milling

Necessitated By Labor Situation — New Levels Ready Now

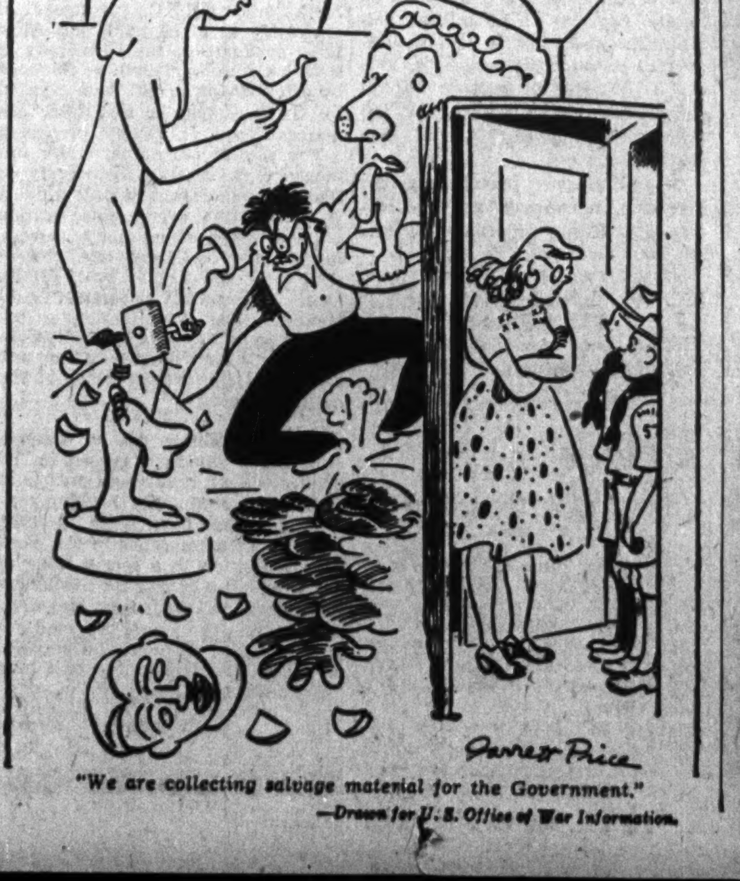
Effects of the general shortage of mining labor—and the transfer of miners from Kirkland and Larder Lake to Sudbury—are reflected in an announcement of Chesterville Larder Lake Gold Mining Co. that milling rate is being reduced.

In August milling rate was brought down from 700 to 675 tons daily and to 620 tons in September, due directly to the shortage of labor. The company now expects to maintain production at a rate of around 600 tons daily.

Three Years' Ore

New development has been curtailed, but as the mine has an excess of three years' ore above the fourth level at 550 ft. depth, no difficulty is stated anticipated in supplying 600 tons of ore daily.

With shaft sinking carried to the 12th level at 1,625 ft., the company now has seven new levels for future development as required.



Garrett Price

"We are collecting salvage material for the Government."

—Drawn for U. S. Office of War Information.

THE GOLDEN EGG THAT HATCHES WAR SAVINGS — — BOND

You can't have your cake and eat it too—nor can you spend your money and save it. These are times for self-denial, when unnecessary spending must be replaced by saving. Budget your living costs and financial obligations. Then determine how much you can save every pay day. Create a golden egg that will hatch into happiness; a back-log to take care of emergencies; the corner-stone of a business opportunity, and an anchor for future security.

THE BANK OF TORONTO
Incorporated 1855

Helping "deliver the goods"!

HERE'S A PICTURE of an electric motor bearing. Watch that ring coming up from the oil well. Hour after hour, day after day, the ring must pick up the oil and deliver it to the bearing.

It looks simple—but it depends on the right oil!

The oil must have *correct* fluidity to carry up and "flood" the bearing. It must stay free of deposits which can stop the ring, starve the bearing.

For 76 years, the makers of Gargoyle Lubricants have been producing oils for just such specialized applications. Today, when so much depends on meeting delivery dates, you'll be wise to specify these fine lubricants. There is a *correct* Gargoyle oil or grease for every machine made.

Sold throughout Canada and Newfoundland by Imperial Oil Limited

For Correct Lubrication—use

GARGOYLE LUBRICANTS

Gargoyle Industrial and Marine Lubricants are made by the makers of Mobiloil, the world's quality motor oil.

GARGOYLE LUBRICANTS STAND OUT AND STAND UP!

Gargoyle Cylinder Oil 600-W—famous for its year-after-year ability to maintain a tough, adhesive film on piston and cylinder walls.

Gargoyle D.T.E. Oils 1-to-5—specially made to resist heat, pressure and oxygen.

Gargoyle Vaco Engine Oil No. 1—resists wear, high speeds; repels moisture; efficient in extreme heat or cold.

Gargoyle D.T.E. Oils—stand up under heat and pressure; have unusually long life; are used in more than 51% of America's major-sized steam turbines.

Gargoyle Vacuoline Oils—combine lubricity and stability for circulation-oiled machines.

Gargoyle special oils and greases for every industrial operation.

IMPERIAL SERVICE

GARGOYLE Lubricants

old Mines May Lose Half Their Workers

Big Mines May Suffer Considerably Less Than Smaller Producers

y GORDON M. GRANT

n Hon. Humphrey Mitchell, ion Minister of Labor, fore- in Toronto this week that mines will turn over "up- of 10,000" men to base mines, it became increas- clear Canada's gold mining ry can no longer expect to at anything approximat- rmal.

what direction the man- shortage blows may fall as lt of the further shift of gold cannot be fully predicted —but a survey reveals these ssing the most immediate in changed conditions:

Average gold mines—Faced loss of nearly half their kers eventually.

Mining investors—would be hit; some mines may close; rage" shareholder may not more than half normal divi-

The Dominion Government "loser" initially by perhaps millions in foreign ex- ge; by perhaps $50 millions xes—direct and indirect.

Gold mining municipalities rhaps unable in future to maintain municipal services meet interest on debts.

Mining generally—A heavy rer as gold mines will not be able to prosecute their gic mineral programmes as ously as in the past.

Here is how each of these categories may find conditions changed when shifting of 10,000 miners to base metals and possibly other war industries becomes a reality rather than a proposal.

1. Average Gold Mines

If gold mine labor shortages have shown anything in recent weeks, it is this: A big gold mine can stand labor shortages a lot better than a small one. And, secondly, it has been shown that big marginal mines are more vulnerable to shortages than others. This is a situation which may well hold true in the future when manpower shortages become still more acute.

Of the 33 gold mines which have suspended production already this year, or will suspend shortly, by far the majority were small mines. The large mines forced to suspend were, by and large, mines which had been known as marginal producers. While losses of manpower in the future may be more in proportion to men employed, it seems likely small mines and larger marginal producers will provide many of the next "casualties." From the standpoint of national welfare and productivity of wealth per worker, it is probably desirable that the larger, efficient producers and not the smaller less profitable mines should have to suspend.

Important in determining how the individual company will fare is condition of the company's mine. Large ore reserves often mean men can be taken off development and used elsewhere. Preparations undertaken to make proven ore available for mining are equally important. Mines like McIntyre, Hollinger and Kerr-Addison are understood to have completed considerable advance development for a "rainy day" which now seems in the offing.

2. Mining Investors

Dividend reductions have been plentiful for gold mines in recent months—all but a small handful of companies have been forced to make some reduction in payments. But further dividend reductions must be expected since dividends must be covered by earnings under Foreign Exchange Control Board regulations subject only to the carrying over of surpluses of the last two or three years. In the latter regard, companies like McIntyre Porcupine Mines, which haven't been paying out all earnings in dividends since the outbreak of war, may be able to do relatively better by their shareholders than others when and as earnings become still poorer.

Dividend curtailment through shortage of labor won't necessarily affect the ultimate amount to be paid out in dividends, it has been pointed out before now. The optimist can find a bright side in the fact that ore is not lost through remaining in the ground. The possibility still exists that milling of gold ore after the war instead of now may mean greater profits. Lower tax rates may exist then and a higher price for gold is always a possibility.

That complete closing down of all gold mines would be serious cannot be denied, of course. Workings may be damaged by water and the developed position of a mine may be seriously impaired. But the Dominion labor authorities are understood to take the view that they don't want to close down gold mining as an industry entirely—too much reliance is being placed on it for giving employment in the postwar period. Possibly the 10,000 miners it is planned to shift are the number of single men available and married men with established homes will not be so much affected unless conditions become far worse.

3. The Dominion

If the Dominion Government cuts 50% off the supply of gold mining labor, it is quite conceivable gold production may drop by an equivalent amount. With slightly over $200 millions in gold turned out last year, perhaps $100 millions a year in gold will be lost that used to be available for acquisition of U. S. dollars.

Offsetting this, however, Canadian base metal mine production may rise substantially—and much of the increased output may be destined for the United States. A shift of 10,000 miners to the base metals will mean a most substantial increase in labor forces at base metal mines. Productivity per worker may not be as great in base metal mining but conceivably it may be greater—if miners from marginal mines are employed in relatively richer base metal producers.

When it comes to taxes, the Dominion Government may lose considerable revenue. There is no definite assurance that reduced taxes from gold mining profits will be made up by higher taxes from base metal mining. Tax concessions have been given a number of base metal producers to secure their expansion, and a heavier flow of tax money from these mines may not eventuate for some time.

4. Gold Mine Towns

The Kirkland Lake strike showed Canada how hard a town can be hit when a large part of its inhabitants seek employment elsewhere. In recent weeks—even before National Selective Service—an exodus from gold mining camps was under way, causing concern to municipalities. If the married men and home owners are left behind rather than the single men, the average gold mining municipality may be spared some hardships. Perhaps greater hearing will be given now to the gold mining town's arguments for war industries: Large numbers of empty houses, surplus electric power and a pool of women workers not harnessed to any great extent by gold mines as yet.

If the gold mining municipalities lose a large part of their revenues, however, there is no doubt there will be real difficulty in maintaining services and paying interest on existing debts. If the married men are all left behind, there will be just as many children to educate even though tax rolls are smaller.

5. Mining Generally

Gold mines have been shouldering a large part of the search for new deposits of strategic minerals across this country. With dividend income likely to be sharply curtailed, however, gold mines may no longer feel able to maintain their search on anything like the scale existing in the past. A new prospecting "crisis" may be in the making.

---

i Drives Hard Keep Going

t Difficulties Facing l Gold Mines Darken cture

m Our Own Correspondent

l LAKE.—Valiant efforts are made to keep up production i Lake Gold Mines but with rrent labor shortage and other ng difficulties it has been ble to maintain production at e of last year.

ng rate is now approximately ns daily compared with an e of 616 tons in the first r of this year and an average tons daily in 1941. Produc- he first half of this year ted to $482,941 compared with 370 for all 1941. An operating of $24,527 was realized the lf of 1942 but it is doubtful if mpany is doing much more meeting operating expenses lthough a considerable reduc- n expenses has been made.

Three Shafts Give Ore

for milling has been drawn he Nos. 2, 4 and 5 shafts. An e of 80 tons daily has been from the No. 5 shaft, 100 tons en taken from the No. 4 shaft he balance from the main s at No. 2 shaft.

15,000 tons of ore have so far lled from the narrow Hill- ein at No. 5 shaft. Average has been $7.40 per ton but, to the narrow width, mining ve been high and close to recovered. The main drive the first level has been car- 0 ft. to explore for the depth ity of the B-1 ore structure on surface for a length of veraging $13.90 uncut grade cut grade across an aver- th of 2.8 ft. Initial disclo- the north end underground t been definitely conclusive to widths and grade as on

Drill To Depth

ent months, a programme of drilling to depth below the level has returned encourag- rsections. The drilling has ne along the north-south the shaft area. The inter- have disclosed continuity of the main ore structures to the diorite mass to the The drilling has been done to of 300 to 600 ft. vertically be- level, with irregular ore tions like those secured in above the level. One hole an intersection of $8.75 per ss a true width of 14 ft. nal drilling is to be done bout three months required to the present projected pro- e.

mine is stated to have ample es to continue the present rate ations to February, 1943. Ex- ory drilling to depth should be eted before that time and in- ation acquired on which to base cision as to continuance of tions under prevailing diffi- abor conditions. The supply lled labor has become pro- vely more difficult to secure old, it is noted.

---

eep Creek Gets radise Mine

m Our Own Correspondent

NCOUVER. — Sheep Creek Mines has acquired the old e mine near Invermere, B.C., now undertaking a thorough nation with a view to early pment of its silver-lead-zinc

s of the deal were not re- , but they were negotiated by s F. Marr of Spokane, who y succeeded the late Rolf as president, and H. E. , managing director.

Paradise mine was discovered and was taken over a few later by the late Hon. Ran- Bruce, former lieutenant- r of British Columbia. It was ly operated for some years n sold to the Victoria Syn- of Conniston, Ont., subsidiary d Nickel.

mine yielded more than $1.5 until closed down in 1929. e of the highest mines in being located some 7,000 ft. he Selkirks.

Mica Syndicates Start Shipping

Amic and Mattawa Syndicates Employ Total of 40 Altogether

With their processing shop at Bonfield now in regular operation, the Amic and Mattawa Syndicates made their first shipment of white mica a little over a week ago. Fifteen women from the area (east of North Bay) have been employed and are now being trained in the art of cutting, grading and splitting mica. Altogether the syndicates have 40 employed.

The two blocks of claims owned by the Amic and Mattawa Syndicates are being operated as one mine until organization of the new company Mica Consolidated Mines is completed. This company will have an authorized capital of 3.5 million shares of which 1.5 million shares will be issued to Amic and Mattawa unit-holders at the rate of 150 shares per unit. A total of 500,000 shares will be available for financing and 1.5 million shares will be left in the treasury for the acquisition of other properties if desired.

White mica crystals of excellent commercial sizes are reported being mined from No. 2 vein which is 180 ft. long by 10 ft. wide, while similar crystals have been found in No. 1 vein which is 100 ft. long and 7 ft. wide. The camp and processing plant have been fully equipped and output is being marketed in the United States where favorable marketing arrangements are reported completed.

The processing plant at Bonfield is understood to be handling some custom work and this type of business will be sought from other properties in the same general area, it is stated.

Central Patricia Gold Mines had an estimated net profit of $201,900 equal to 8.1 cents a share in the six months ended June 30, 1942, compared with $345,063 equal to 13.8 cents a share for the six months ended June 30, 1941. Production the latest six months period totalled $836,256 from 70,710 tons of ore for an average recovery of $11.82 per ton. This compares with $1,019,066 from 68,922 tons and an average recovery of $14.78 per ton in the corresponding half year of 1941.

Iron ore shipments down the lake this year to Oct. 1 amounted to 72,441,453 tons an increase of 17% over the 62,024,228 tons shipped in the corresponding period last year.

Anglo-Huronian Profit Jumps

Dividend Income Up 65% — Earnings Up 50% at 28 Cents a Share

The best year since 1937, when profits were still being realized from operation of the Vipond mine, was experienced by Anglo-Huronian in the 12-month period ended July 31, 1942.

Net profit of $424,708 after all charges was equal to 28.3 cents a share, more than 50% higher than the 18 cents a share for the preceding fiscal year.

Kerr Dividends Help

The increase in profits was the result of a substantial increase in dividend income. Dividends received from Kerr-Addison Gold Mines and Proprietary Mines are understood to have been responsible, in large part, for the improved showing. Dividend income and exchange thereon totalled $529,850 in the 1942 period against $321,068 the preceding year.

Reflecting the general decline in security values during the period under review net asset value per share is somewhat lower. Taking market value of securities, and assessing other assets at fair value in the opinion of directors, value per share was $4.45 at July 31, 1942, compared with $5.25 a year previous. Of the total net assets, $5,388,416 or $4.26 a share was attributable to cash and marketable securities.

Income and Surplus Account Years Ended July 31

	1942 $	1941 $
Dividends earned	529,850	321,068
Interest & exchange	41,136	46,487
Sundry earnings	9,273	2,102
Total revenue	580,259	369,657
Less: Gen. & adm. exp.	84,212	79,769
Explor. exp. w/o	3,394	10,126
Depreciation	916	851
Supplies w/o	......	2,000
Net oper. profit	491,737	276,911
Less: Res. for taxes	25,505	3,277
Loss on invests.	41,524	‡3,477
Net profit	424,708	270,157
Less: Dividends	300,000	300,000
Surplus for years	124,708	*29,843
Add: Prev. surplus	2,177,878	2,207,721
Surplus forward	2,302,586	2,177,878

*Deficit. ‡Net.

Earnings per Share and Dividend Record:		
Earned	$0.28	$0.18
Paid	0.20	0.20
No. of Shs. Outstand.	1,500,000	1,500,000

Working Capital

	$	$
Current assets	7,236,013	7,206,009
Current liabilities	24,804	51,856
Working capital	7,211,209	7,154,153

Oil Royalties

Producing Wells — Prices and Payments

	Sept. daily allow. bbls.	Aug. daily allow. bbls.	May pay. 1% $	June pay. 1% $	July pay. 1% $	Paid to July 31 1% $	Dealers offering price* $
Ace No. 1 gross	525	543	241.82	241.87	230.24	$3,151.23	7,500
Alta. Oil Inc. No. 1 gr.	82	80	52.40	48.40	36.40	3,432.00	1,300
Do., No. 1 net	82	80	42.00	39.60	30.40	3,946.80	1,000
Do., No. 2 gr.	485	522	252.80	234.80	229.60	5,399.20	8,200
Do., No. 2 net	485	522	231.60	213.60	186.40	5,357.00	5,000
Allied No. 1 pfd.	95	100	42.80	45.84	42.61	618.14	1,600
Arrow No. 1 net	116	150	78.00	70.00	49.00	1,334.60	1,800
Do., No. 2 net	186	190	94.00	80.00	64.90	1,282.20	2,500
Atlas No. 1 net pfd.	105	110	35.60	62.40	.....	†106.80	1,600
Atlas-Br. D. No. 2 pfd.	654	676	466.80	416.00	317.60	1,200.40	8,000
D. & D. net pfd.	75	75	36.40	32.40	27.60	1,721.00	1,000
East Crest No. 5	130	135	......	69.20	59.20	128.40	2,100
Independent No. 1 p.	220	225	148.99	133.92	114.60	1,717.38	3,700
Do., No. 1 gr.	220	225	107.09	97.75	103.42	1,774.32	....
Major Oil No. 1 pfd.	108	121	77.60	61.60	62.00	504.00	1,500
Do., No. 1 gr.	108	121	72.40	60.80	59.20	1,374.60	2,200
Do., No. 2 pfd.	578	604	420.40	376.40	284.80	3,732.60	6,000
Do., No. 2 gr.	578	604	331.20	286.40	273.20	4,823.20	9,500
Do., No. 2 dfd.	578	604	....	.....	.....	......	....
Do., No. 3 net	825	835	534.00	476.80	280.40	4,952.80	8,000
Do., No. 3 gr.	825	835	396.00	373.20	376.00	4,503.60	....
Do., No. 4 pfd.	299	268	325.20	292.40	149.20	1,662.00	4,700
Do., No. 4 gr.	299	268	248.00	218.80	134.80	1,977.60	....
Do., No. 7 pfd.	650	649	.....	.....	.....	......	7,500
Do., No. 7 dfd.	650	649	.....	.....	.....	......	4,300
Do., No. 7 gr.	650	649	.....	.....	161.60	161.60	9,100
Do., No. 8 pfd.	293	...	.....	.....	.....	......	5,000
Do., No. 8 gr.	293	...	.....	.....	.....	......	6,300
Do., No. 8 dfd.	293	...	.....	.....	.....	......	2,500
Do., No. 9 gr.	427	488	.....	45.20	250.00	295.20	7,600
Do., No. 9 pfd.	427	488	.....	.....	.....	......	4,900
Do., No. 9 dfd.	427	488	.....	.....	.....	......	2,400
Miracle No. 1 pfd. net	415	409	414.82	155.36	152.09	4,199.50	4,000
Do., No. 1 gr.	415	409	296.21	273.68	203.20	4,003.28	....
Do., No. 2 pfd.	304	272	239.30	260.91	146.81	725.71	4,200
Do., No. 2 gr.	304	272	.....	196.94	131.80	328.54	....
Renown No. 1 pfd.	95	100	.....	46.56	38.00	84.56	....
Winalta No. 1 pfd.	81	93	72.00	41.20	35.60	3,335.90	1,000

*Approximately 25% over dealers' bid prices.
†Total to June 30, 1942.

Drilling Wells — Prices and Depths

Well:	Drilling depth ft.	Offering price per 1%
Atlas-Br. Dom. No. 3 pfd.	7,826	*$4,375
Bonaventure pfd.	5,894	2,700
Major Oil No. 6 pfd.	7,598	6,300
Major Oil No. 6 gr.	7,598	7,600
Miracle No. 3 pfd.	5,872	4,800
Miracle No. 3 gr.	5,872	6,400
Northc. No. 1 pfd.	7,270	3,700
Northcl. No. 1 dfd.	7,270	2,000
Northcl. No. 1 gr.	7,270	5,400
Northend No. 1 pfd.	8,639	3,300
Northend No. 1 dfd.	8,639	1,800
Northend No. 1 gr.	8,639	4,500
Northend No. 2 pfd.	6,450	3,500
Northend No. 2 gr.	6,450	5,000
National Vulcan No. 1	2,100	*4,375
New Ranchmen's pfd.	1,600	*3,200
Empire pfd. (Ont.)‡	....	*1,100
Hi-Test Pet. pfd.	....	*3,600
Kinsella Ltd.	....	*2,100

*Pegged price. ‡Acreage royalty.

Mining Concentrates

Ajax Tungsten & Molybdenite optioned 550,000 shares to W. McFatt on Aug. 11 as follows: blocks of 100,000 shares each at 10, 15, 20, 25 and 30 cents a share and 50,000 shares at 35 cents a share, payable $1,000 monthly to Sept., 1943, with $5,000 monthly thereafter to Sept., 1944, and the balance by Oct. 31, 1944. Authorized capital is one million shares with 400,003 issued.

• • •

Consolidated Smelters is inviting prospectors to communicate any discoveries of strategic minerals, base metals or precious metals and asks that prospectors forward samples. Tungsten, chromium, manganese, tin, mercury and antimony are mentioned specifically as metals the company wants to secure.

• • •

Gunnar Gold Mines prospectors have been having considerable success. After discovering an important chromite deposit at Bird Lake, Man., which is now being diamond drilled with encouraging results, further finds have been made at Maskwa and Euclid Lakes near by with the Euclid Lake discovery showing a 26-ft. width of chromite.

• • •

Hasaga Gold Mines shares were called for trading on the Toronto Stock Exchange Oct. 6. Majority of the shares are owned by J. E. "Jack" Hammell. Practically all advances made to prosecute development and expand mill capacity had been retired by the end of last year.

• • •

Hollinger Consolidated's Kamiskotia copper property, west of the Porcupine area, is to be opened up and operated by the Dominion Government, it is reported, but details are not yet ironed out, it is stated. Diamond drilling has been carried on recently to check old results. It is stated a considerable tonnage of medium to low grade copper ore has been outlined altogether.

• • •

International Tungsten Mines completed an agreement on Sept. 18 under which Norman E. Platt agreed to purchase 175,000 shares at 10 cents a share payable by Jan. 20, 1943 and was granted an option on 1,625,000 shares as follows: 375,000 shares at 10 cents a share, 950,000 shares at 15 cents a share and 300,000 shares at 20 cents a share. The optionee is required to pay the company a minimum of $10,000 by Mar. 5, 1943, and each period of one and one-half months thereafter. Authorized capital is three million shares with 1,000,005 shares issued.

• • •

Lamaque Gold Mines has been gradually affected by the shortage of labor, an analysis of the company's report for the four months ended Aug. 31, 1942, reveals. An average of 1,218 tons of ore was treated daily the four months ended April 30, 1942. Milling rate declined to 1,052 tons daily for the four months ended Aug. 31, 1942, with the monthly average showing a continuous decline as follows: May, 1,194 tons daily; June, 1,157 tons daily; July, 938 tons daily; August, 924 tons a day. Profit the latest four months was $530,388 or 17.7 cents a share. Ore reserves showed an increase of about 50,000 tons to 1,042,897 tons during the period touching a new high.

• • •

Negus Mines has declared a dividend of 2½ cents a share payable Oct. 31. This brings dividends to 5 cents a share so far this year compared with 7½ cents a share for all 1941. Shares are ex-dividend on the Toronto Stock Exchange on Oct. 14; record date is Oct. 15.

• • •

Norwood Kirkland Gold Mines granted an option to Frederick W. Dumart on 1,250,000 shares on May 1, 1942, in blocks of 250,000 shares each at 5, 8, 15, 20 and 30 cents a share payable by May 1, 1945. Authorized capital is three million shares with 1,475,635 shares issued.

• • •

Republic Tungsten Mines optioned 1,799,995 shares to Armstrong Forsyth & Co. on May 27, 1942, with the agreement cancelled on Sept. 18, 1942 after 53,000 shares had been taken down at 5 and 6 cents a share. By an agreement of Sept. 18, 500,000 shares were optioned to Armstrong Forsyth & Co. at 6 cents a share with no time limit set, subject, however, to the company's right to cancel the option upon giving 30 days' notice. Authorized capital is three million shares with 1,253,005 issued.

• • •

Teck-Hughes Gold Mines reports earnings of $991,019 or 20.6 cents a share for the eight months ended Aug. 31, 1942. Dividends from Lamaque Gold Mines were equivalent to over two thirds of the total earnings. On the basis of the 61,770 tons of ore milled during the eight months, reserves of 327,696 tons are equivalent to slightly over three years' requirements.

• • •

Sullivan Consolidated Mines examined ten war metal properties during late summer months and technicians of the company have recommended an exploration programme for a property showing molybdenite in LaCorne twp., in the vicinity of the molybdenite operations conducted by War Metals Corp., the Dominion Government-owned company. The company is still recovering scheelite (the ore of tungsten) from its veins and some war work is being done in the mine machine shop. A dividend of 3 cents a share has been declared payable Nov. 16, to shareholders of record Oct. 15.

• • •

Sand River Mining Co. suspended production about a month ago. Labor shortage and other wartime difficulties made it necessary to cease milling until conditions improve. Northern Empire Mines has been directing operations latterly and their agreement has been extended until Dec. 31, 1944.

• • •

Yama Gold Mines has sold 100,000 shares to C. R. Jenner & Co. at 8½ cents a share; permission has been granted for their resale on Sept. 8, 1942.

A superb mixture of the world's finest tobaccos ... it's the best you can buy for your pipe.

HERBERT TAREYTON SMOKING MIXTURE

T-342 PACKAGES, POUCHES AND ½ LB. TINS

THERE'S SOMETHING ABOUT IT YOU'LL LIKE

The WESTERN SAVINGS and LOAN ASSOCIATION

HEAD OFFICE: WINNIPEG, MANITOBA

OFFICES

Agency Building - - - Edmonton, Alta.
221 A 8th Ave. W. - - - Calgary, Alta.
McCallum-Hill Building - - - Regina, Sask.
411 Avenue Building - - - Saskatoon, Sask.

THE LONDON & WESTERN TRUSTS COMPANY LIMITED

London Windsor Toronto
Winnipeg Saskatoon Vancouver Victoria

CANADIAN OIL ROYALTIES

BOUGHT — SOLD — QUOTED

Keep abreast of developments in Canada's rich oilfields, by reading our regular news bulletin from Calgary and our booklet, "Your Future in Oil." A copy of each will be sent on request, without obligation.

Sponsors and Underwriters of the "MAJOR" and "ATLAS" OIL WELLS

CLIFTON C. CROSS & CO.
(QUEBEC) LIMITED
Suite 1700, Aldred Building, Montreal, — HArbor 1182.

Gentlemen: Please send me, without obligation, a copy of your regular News Bulletin and of your booklet "Your Future in Oil".

Name ....

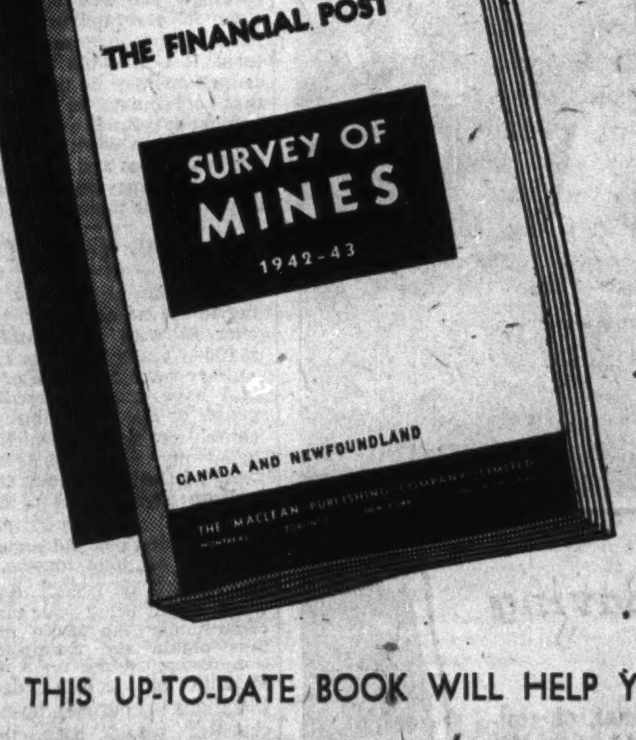
Address ....

.... FP4

Associate Companies in Ten Principal Cities Across Canada.

Avoid Disappointment!

Place Your Order Today



1942-43 EDITION

Complete, new, up-to-date reviews of Canada's mines and the important part they are playing in turning out needed metals and strategic minerals for the war effort.

On producing companies—a full record of production, costs, earnings, dividends, financial structure and details of directorate and personnel.

Companies under development likewise will be covered in compact, ready-reference style.

Every mining area and every mining camp of consequence will be illustrated by accurate, exclusive, up-to-the-minute maps.

PER COPY Postpaid $2

THIS UP-TO-DATE BOOK WILL HELP YOU SAFEGUARD YOUR INVESTMENTS

It Tells You:

Where the Mines Are Located
Who Own Them
Who Operate Them
Their Financial Structure
Development Results
Record of Production
Price Range of Stocks
Dividend Record
Maps of Areas and Properties
Facts and Figures About the Canadian Mining Industry

Order Now—in Advance of Publication and Delivery Guaranteed

THIS—ORDER—FORM FOR YOUR CONVENIENCE

THE FINANCIAL POST,
481 University Avenue, Toronto, Canada.

Send me, postpaid .... copies of The Financial Post SURVEY OF MINES, 1942-43.

Herewith $ .... in payment.

Name ....

Address ....

....

.... 588

Abitibi Case to Be Heard By Privy Council in '43

Those connected with the affairs of Abitibi Power & Paper Co. hope to have the record ready for the next sitting of the Privy Council which is to hear an appeal from the sale order of Mr. Justice Middleton.

An effort was made to have the case heard in the sittings which began in October this year, but this has failed. Thus it now appears that the case should be heard in February or March of next year.

It is understood that the Privy Council ordinarily is quite prompt in giving its decision and that it does not permit anything like the variety or length of argument which would be heard in Ontario Appeal Court.

Distribution in Doubt

The Financial Post is told that the matter of a further distribution on its principal to bondholders has not been considered recently. There is some doubt as to how much would be available as the Foreign Exchange Control Board limits the distribution to profits earned since the middle of 1939. It is pointed out that monthly earnings figures for Abitibi have been slipping in recent months and that it now appears unlikely that the company will report for 1942 a net balance much higher than that in 1940 and considerably under that of last year.

There is nothing official as to results of the negotiations for the sale of the Kaministiquia Power Co., an Abitibi subsidiary, to the Hydro-Electric Power Commission of Ontario, although The Financial Post has been able to confirm that negotiations are under way. This sale would need court authority before it could take effect and it is understood that the receiver and manager, G. T. Clarkson, is the man who carries out preliminaries and would receive any definite offer.

Whether or not the sum received in the event of a sale of the Kaministiquia Power Co. could be distributed to bondholders at once appears to be in doubt. The Foreign Exchange Control Board might have something to say regarding a payment out of capital such as this sale would be.

C. N. R. Traffic Hits New Peak

Present Movement 50% Higher Than in 1928-29, Says R. C. Vaughan

Traffic handled by the Canadian National Railways is now double that of the peak movement of the last war and 50% higher than during the boom years of 1928-29, according to a statement made by R. C. Vaughan, chairman and president, in an address before the Toronto Empire Club.

"Assuming that we are able to obtain the necessary materials required for operation and maintenance of our facilities," he said, "we face the future demands confident that we will give a good account of ourselves. We have been able to handle the business offering up to the present time, but the difficulties of securing additional equipment to carry the ever-increasing volume of traffic are mounting each day."

Handle Huge Volume

At present the C. N. R. is handling more than 100,000 cars daily through its terminals and frequently a single terminal receives and dispatches as many as 5,500 cars in 24 hours.

Mr. Vaughan outlined various steps which had been taken to cope with increased traffic. These included the building of special types of equipment, additional heavy service locomotives, longer locomotive runs, extension of passing tracks and yards, new terminals, traffic controls, coaling plants, fleets of lighters and lighterage docks.

Western Breweries Ltd. has declared a dividend of 10 cents a share, payable Oct. 15, 1942, to shareholders of record Oct. 1. A similar payment was made April 15 this year.

Mansfield Theatre Co. Studies New Lease

From Our Own Correspondent

MONTREAL. — Shareholders of Mansfield Theatre Co. of Montreal have been notified of a special meeting to be held to consider an offer for a renewed lease of the property to Consolidated Theatres Ltd.

Under the terms of the proposed new lease rental will be increased $5,000. The rental administrator has approved this arrangement.

Since Sept. 1, 1938, the property has been leased to Consolidated Theatres under a lease which expires Aug. 31, 1943.

India Repatriates 75% of Debt

Indian investors now hold 75% of the Indian government securities formerly held by investors in Britain. No Indian loan has been floated on the London market since 1912.

For many years British sterling loans at a low rate of interest were raised, mainly for internal development, such as railway construction and irrigation projects. By the end of the war all such securities will be held in India and the interest formerly paid to persons in Britain will go to Indians, while India will be a creditor nation toward Britain.

BRICK AND TILE. W.P.T.B. Order A-410, Sept. 28, specifies maximum prices for brick and hollow tile in Ontario. Adm. of Construction, C. Blake Jackson.

Are You Paying Too Little or Too Much?

What is the Proper Tax For Your Business to Pay?

To answer the questions involved in today's complicated tax setup, Molyneux L. Gordon, K.C., Toronto, has written this new and authoritative series of articles for The Financial Post.

Mr. Gordon has specialized on tax questions, and is the author of "Digest of Income Tax Cases of the British Commonwealth of Nations," published by the Department of National Revenue, Ottawa, 1939 with one supplement 1937-39 and another to appear next April. Mr. Gordon is also the author of, "Digest of Excess Profits Tax Cases of the British Commonwealth of Nations, 1942."

Taxes on Income You Don't Receive

Article Number Three

By MOLYNEUX L. GORDON

Frequently promoters or employees of a company take part of their remuneration in securities. No one could place himself in a more unfortunate position.

If a company cannot pay its manager his salary, it is not likely that its shares are of much value, and when the company asks the manager to waive his salary and take shares, it usually makes what seems a very attractive offer because it cannot pay cash. In most cases, the shares drop in value or become worthless and at the end of the year the recipient finds that not only has he received nothing but has to pay tax on the face value of some worthless script.

In South Africa (1) three shareholders held all the stock in a company. The company had a large surplus on hand but this was invested in the business and could not be withdrawn. The company decided to pay a bonus of 10s. per share, and as soon as the dividends were paid, the shareholders subscribed for additional stock. Their interest in the company was precisely the same after they got the stock as before they received it because in both cases they held all the issued shares—but their bank accounts were considerably reduced by the amount of tax they paid to the government.

In 1919, an English company (2) operating a sugar plantation in Demerara earned a profit of £25,500. In 1920, the price of sugar dropped from £120 per ton to £40 per ton. The managing director agreed to apply his salary and commission in purchasing additional shares. He personally argued his case with considerable ability and fairness. Lord Hanworth stated that, although a spectacle which is dear to God and man is a good man struggling with adversity, he felt obliged to hold that the manager was liable for tax on money he never received.

The same principle applies to promoters. In South Africa (3) a taxpayer who held an option on some mining claims sold the same to a company for shares but agreed to underwrite 10,000 shares. He argued very strongly that he could not have sold the option unless he agreed to take the shares, but the court held that he could not deduct the loss he made on the shares from the profit which he received on the sale.

Tax When Earned

One of the strongest principles of income tax law is that the court is not interested in any way in the method in which profits are applied, but is only interested in taxing profits as soon as they are earned. Consequently if you once receive money, it makes no difference how you spend the same.

An executor received fees for winding up an estate (4) and out of charity endorsed his cheque to the beneficiary, who was a widow. Unfortunately, the executor, besides getting nothing, had to pay on the cheque he received.

No one is liable for tax who refuses to receive a debt which is justly due. If the executor had merely waived payment of his fees, the results would probably have been equally beneficial to the beneficiary. This is an important point to remember in dealing with estates because if one beneficiary desires to help another, he can save money by refusing to take his share, (5) in which case it may revert to the person whom he desires to benefit, because he will have to pay a gift tax if he receives his share and transfers the same to someone else.

Interest Against Interest

A good many people have contended very strenuously but ineffectually that interest received can be set off against interest paid on unconnected accounts. (6) As interest can only be deducted if it is paid for the use of money raised for the purpose of earning the income, it seems quite clear that, if you borrow money on your securities for the purpose of building a home, you cannot deduct the interest paid on the money borrowed from the income received from your securities because this money was not borrowed for the purpose of earning the income.

In a case from South Africa (7), a taxpayer sold his house and received a mortgage as part payment. He then bought another house which was subject to a mortgage, but the South African courts refused to allow him to deduct the interest he had to pay on the mortgage on his home from the interest which he received on the mortgage on the house which he had sold.

The same principle was applied in refusing the plea of the Scotch lady (8) who let her house for the summer months and claimed to deduct from the rent the expenses she incurred while away from home.

REFERENCES

(1) Wilson v. Commissioner (1925) 2 S.A.T.C. 12; (2) Parker v. Chapman (1928) 13 T.C. 677; (3) Income Tax Case No. 172 (1930) 5 S.A.T.C. 174; (4) Income Tax Case No. 65 (1926) 2 S.A.T.C. 257; (5) Dewar v. Commissioners (1935) 2 K.B. 351; (6) Income Tax Case No. 241 (1932) 6 S.A.T.C. 355; (7) Income Tax Case No. 92 (1927) 3 S.A.T.C. 238; (8) Wylie v. Eccott (1912) 6 T.C. 128.

Your Income Tax

Payments of income taxes collected at the source have now started. In this weekly column, The Financial Post answers problems you may have in connection with your income tax. In some cases, rulings have yet to be made, hence The Post can only cite informed opinion.

Tax Problem

A company in which I am interested has a basic average profit from 1936 to 1939 of $300,000 a year. If in 1942 it earns $750,000, out of which is set up an inventory reserve of $24,000, how is the $24,000 treated in relation to Excess Profits Tax with particular reference to the refundable portion?

This company would have an "excess" profit for 1942 of $450,000. From this would be deducted the entire amount of the inventory reserve, $24,000, before calculating the excess profits tax which would have to be paid. From the $426,000 which would remain would be deducted 30% to allow for the basic corporation tax leaving as excess profits tax the balance.

A somewhat different calculation would be necessary to estimate the amount of the refundable portion of the EPT. Normally this refundable portion would be estimated by taking seven sixths of the standard profit of $300,000, deducting this from the gross of $750,000, and then taking 20% of this remainder which would give the refundable portion of the EPT. In this case, due to the $24,000 inventory reserve, the actual EPT to be paid is not 100% of excess earnings. It would therefore be necessary to deduct the $24,000 from the balance arrived at in the normal procedure for estimating the refundable portion of the tax and then apply 20% to the balance that remained. This outlines the principles to be followed in making the estimate but does not allow for the fact that new rates would, in actual practice, only apply to the last half of this year.

Overpaying Taxes

I am employed by an insurance office. The first half 1942 my salary was at the rate of $1,700 per annum. During the second six months it was raised to the rate of $2,000 a year. My income taxes are being deducted at the rate of $2,000, but my total income for 1942 will be about $1,850. I expect to get another increase in the early part of 1943 when my deductions will again go up unless they are modified in some way. The result in any case will be I will have overpaid my income taxes considerably. How and when do I make adjustments?

Under the current method of deductions you will be considerably overpaid on income tax for 1942. Accordingly you will have to make a claim for a refund next September when you put in your income tax return. It is possible the method of deductions may be modified before that, of course, as otherwise the number of refunds will be enormous, making much work for the income tax authorities and depriving thousands of taxpayers of money they may need for their living.

Over 65 Years of Age

I am over 65 years of age and have an income of $5,025. According to the regulations a taxpayer over 65 with an income under $5,000 is exempted from the compulsory savings portion of his tax. If I have excessive medical expenses or make contributions to a church or charity which would bring my income below $5,000 would I then be exempt the compulsory savings part of my tax?

Yes if your medical expenses exceed 5% of your income, that is $252, you may deduct the excess which might bring your taxable income under the $5,000 mark and thus obtain the exemption from compulsory savings for a man over 65 with an income under $5,000. Donations to churches, hospitals and charities would have the same result.

Compulsory Savings

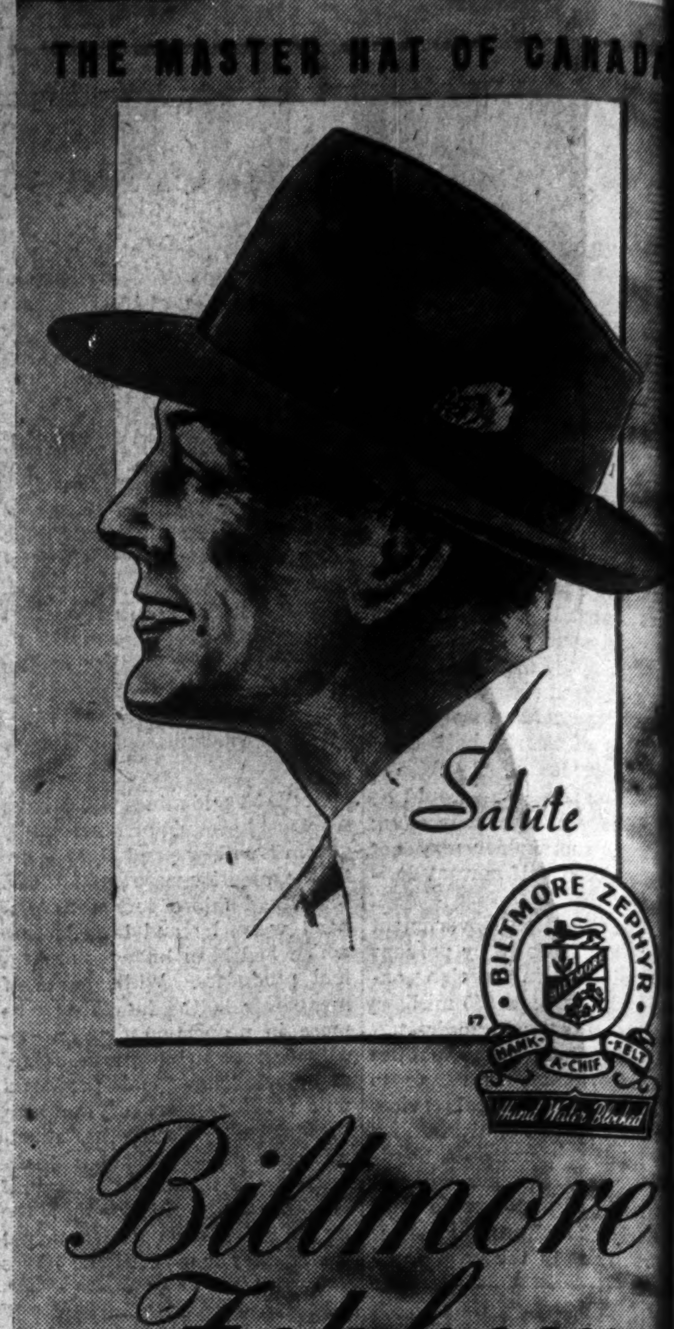
How much tax do I have to pay before part of it is considered compulsory savings? How are these computed?

As long as you pay income tax, part of it is to be considered compulsory savings. The way these are computed is to work out your total tax payable. The compulsory savings will be the smallest of the following three amounts:

1. One half the total tax payable.
2. 10% of your total taxable income if married or 8% of the taxable income if single, plus 1% of taxable income in each case for dependents.
3. $1,000 if married or $800 if single plus $100 for each dependent in each case.

Thus if you are a married man without children and have an income of, say, $3,000 a year, your total tax would be approximately $884. Half of this would be $442, but 10% of the income would be $300. The compulsory savings would therefore be $300 because it is smaller than half the total tax and considerably smaller than the overall ceiling allowed of $1,000 for a married person.

Montreal Stock Exchange and Montreal Curb Market report little improvement in the volume of trading. During September 121,816 industrial shares were traded, as against 177,658 shares the month before and 302,826 shares in September last year. Trading in mining shares was better, but still well under last year's volume.


THE MASTER HAT OF CANAD

Salute

BILTMORE ZEPHYR
HANK-A-CHIF-FELT
Hand Water Blocked

Biltmore Zephyr

HANK-A-CHIF-FELT

Just about 2 ozs. of easy fitting comfort

CRAWFORD & BEL
Taxation & Insurance Consultants
44 Victoria Street
TORONTO
EL. 2028
S. Hume Crawford W. E. N. B

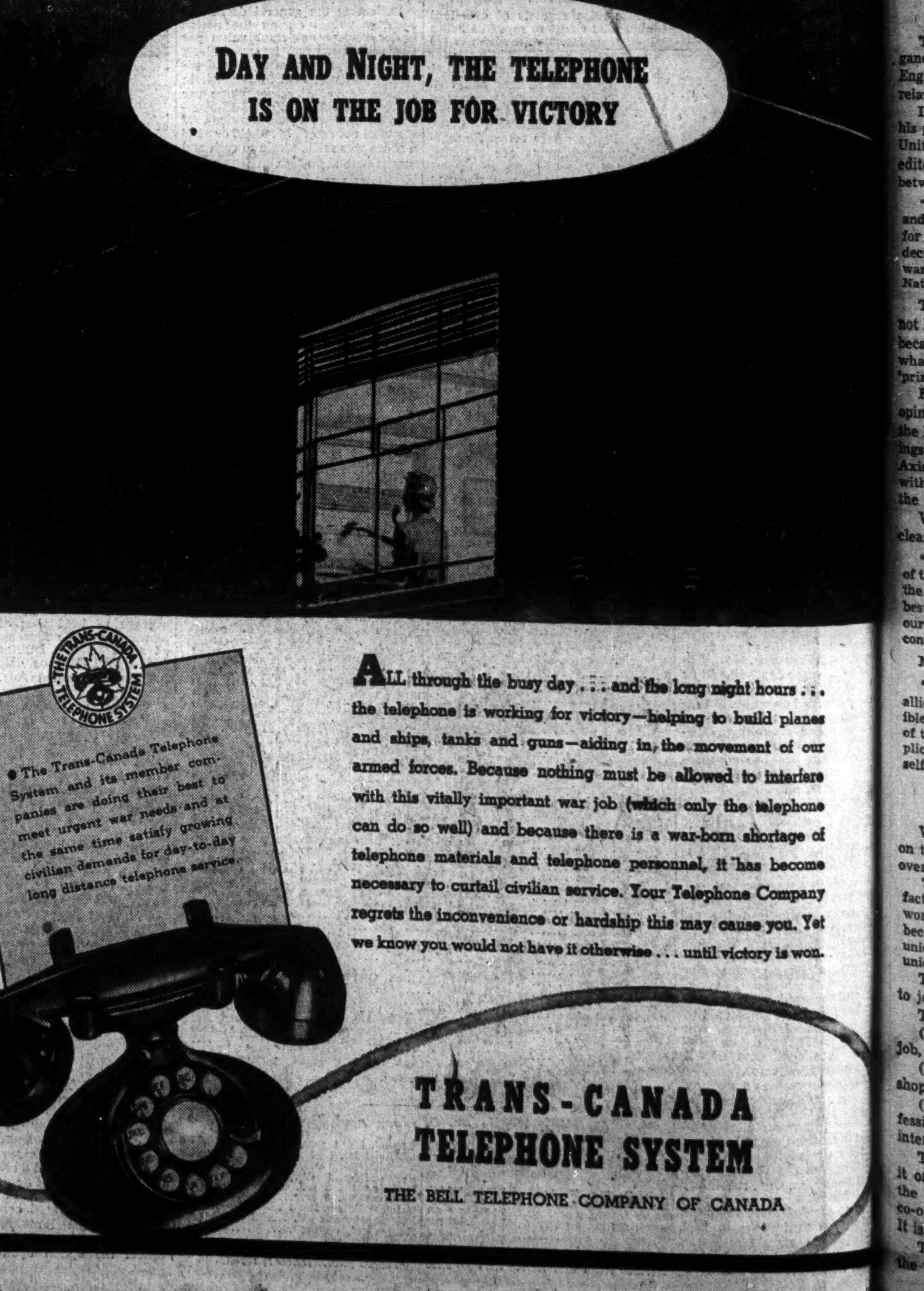
"I'm Working—and *Saving* for VICTORY"

In workshops, factories, shipyards . . . in mines, on railways, on farms . . . thousands of Canadians, men and women, are bending every effort to provide the material aids to victory.

The wise and far-sighted ones are putting aside regularly the sums needed to meet taxes, buy Victory Bonds, build a backlog for the future.

A Savings Account in this Bank is a convenience and a stimulus to saving. Your deposits earn interest, and are available when you need them. Open a Savings Account at our nearest Branch today.

THE DOMINION BANK
ESTABLISHED 1871
C. H. CARLISLE, President
ROBERT RAE, General Manager.


DAY AND NIGHT, THE TELEPHONE IS ON THE JOB FOR VICTORY

THE TRANS-CANADA TELEPHONE SYSTEM

● The Trans-Canada Telephone System and its member companies are doing their best to meet urgent war needs and at the same time satisfy growing civilian demands for day-to-day long distance telephone service.

ALL through the busy day . . . and the long night hours . . . the telephone is working for victory—helping to build planes and ships, tanks and guns—aiding in the movement of our armed forces. Because nothing must be allowed to interfere with this vitally important war job (which only the telephone can do so well) and because there is a war-born shortage of telephone materials and telephone personnel, it has become necessary to curtail civilian service. Your Telephone Company regrets the inconvenience or hardship this may cause you. Yet we know you would not have it otherwise . . . until victory is won.

TRANS-CANADA TELEPHONE SYSTEM
THE BELL TELEPHONE COMPANY OF CANADA